FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Asia

FBIS-EAS-92-141
Wednesday
22 July 1992

Daily Report
East Asia

FBIS-EAS-92-141 CONTENTS *22 July 1992*

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

ASEAN Foreign Ministers Speak at Manila Meeting 1
Philippine President Opens Meeting *[Quezon City Radio]* 1
Thai Minister's Address *[Quezon City Radio]* 2
Indonesian Minister's Speech *[Quezon City Radio]* 4
Malaysian Minister's Speech *[Quezon City Radio]* 8
Singapore Minister's Address *[Singapore Radio]* 10
Declaration Urges Peaceful Spratlys Settlement *[Manila Radio]* 10
Vietnamese Minister Quoted on Spratly Position *[Bangkok BANGKOK POST 22 Jul]* 11
Russia Offers Military Aid to ASEAN *[AFP]* 11
Malaysian Diplomat Named ASEAN Secretary General *[AFP]* 12

NORTHEAST ASIA

Japan

Chip Share Issue 'Would Not Result' in Friction *[KYODO]* 13
China Admits Firing Shots at Japanese Ship *[KYODO]* 13
Slow Money Growth Not Harming Economy *[KYODO]* 13
BOJ Discount Rate Cut Urged To Rescue Banks *[KYODO]* 14
More Low-Interest Housing Loans Recommended *[KYODO]* 14
Long-Term Prime Rate To Remain at 6.1 Percent *[KYODO]* 14
Banks To Issue Permanent Subordinated Bonds *[KYODO]* 15
Small Firms To Receive Government Financial Aid *[KYODO]* 15
New Securities Industry Watchdog Inaugurated *[KYODO]* 15
Chief Vows To Wage 'Tough Campaign' *[KYODO]* 16
Morita Views Change in Business Management *[RYUKYU SHIMPO 19 Jul]* 16
Seminar Focuses on Japanese-Style Management *[KYODO]* 19
Indian Engineer Sues Company for Discrimination *[KYODO]* 19
Firms To Hire Fewer Male College Graduates *[KYODO]* 19
New Guidelines on Agricultural Chemicals Issued *[KYODO]* 19
CO_2Emission Target Seen as Unrealistic *[KYODO]* 20
Tokyo, Australia To Simplify VAN Services *[KYODO]* 20
Asian Nations To Receive Help With City Planning *[KYODO]* 20
Panel Proposes Moving Key Capital Functions *[KYODO]* 21

North Korea

Nuclear Control Commission 7th Meeting Detailed *[Pyongyang Radio]* 21

South Korea

Further Reportage on Visit by North's Kim Tal-hyon 22
Tours Chemical Plant *[THE KOREA TIMES 22 Jul]* 22
Meets With Daewoo Chairman *[YONHAP]* 23
YONHAP Analyzes Visit 24
DPRK Sites for Industrial Complexes Considered *[YONHAP]* 25
Foreign Minister Views Asian-Pacific Security *[YONHAP]* 25
DP Rejects Assembly Discussion With DLP, UPP *[YONHAP]* 26
Land Fraud Suspect Confesses, Implicates Official *[THE KOREA TIMES 22 Jul]* 26
Prosecutors Begin Probe of Ballot Counting *[THE KOREA TIMES 22 Jul]* 27

SOUTHEAST ASIA

Burma

Opposition Radio Station inaugurates Broadcasts *[Radio DVOB]* 28
Army Seizes 134 Kgs Raw Opium Near Kutkai 6 Jul *[Rangoon Radio]* 28

Brunei, Malaysia & Singapore

Malaysia

Mahathir Urges Kelantan To Sign Agreement on Dam *[Kuala Lumpur International]* 28
Kelantan Demand for Compensation Denied *[Singapore THE STRAITS TIMES 19 Jul]* 28

Singapore

Joint Air Defense Exercise With Malaysia Begins *[THE STRAITS TIMES 21 Jul]* 29

Cambodia

Sihanouk Says UN Not To Blame for Stalemate *[AFP]* 29
Khmer Rouge Question UN Peacekeeper's Duty *[Radio VGNUFC]* 29
Loridon-Khmer Rouge Conflict Noted *[SPK]* 29
Khieu Samphan Letter to UN Secretary General *[Radio VGNUFC]* 30
Radio Renews Charges of Vietnamese Troop Presence *[Radio VGNUFC]* 31
Butrus-Ghali on Khmer Rouge Boycott of Accord *[SPK]* 31
UNHCR—More Refugees To Return From Indonesia *[Phnom Penh Radio]* 32
Merchants Refuse To Accept Small Currency *[AFP]* 32

Indonesia

Commentary on Topics of Manila ASEAN Meeting *[Jakarta Radio]* 33
Suharto: Role of Armed Forces, Political Parties *[Jakarta Radio]* 33

Laos

Soulivong Discusses Friendship Treaty With SRV *[Vientiane Radio]* 34
Front Chairman Sends Greeting to SRV Counterpart *[Vientiane Radio]* 35
Seminar on Cooperation With Thailand *[KPL]* 35
Writers Group Returns From PRC Visit *[KPL]* 35

Philippines

Ramos To Chair Advisory Council on Exports *[PHILIPPINE DAILY INQUIRER 22 Jul]* 35
Freed Communist Rebel Resumes Armed Struggle *[PHILIPPINE DAILY INQUIRER 22 Jul]* 36

Thailand

Tribunal Rules Amnesty Decree Legal *[AFP]* 36
Telephone Board Led by Army Commander Replaced *[Bangkok TV]* 37
Military Radio Told To Stop Political Commentary *[BANGKOK POST 22 Jul]* 37
Chawalit Vows To Transfer Military Leaders *[THE NATION 19 Jul]* 37
Kaset Seri Party Dissolves, Joins New Aspiration *[Bangkok Radio]* 38
Three New Parties Officially Registered *[BANGKOK POST 22 Jul]* 38

Vietnam

Ho Chi Minh City, Haiphong Election Results *[Hanoi Radio]* 38
18th MIA Joint Search Ends *[VNA]* 39
Japan To Grant $6.5 Million in Aid *[VNA]* 39
French Ambassador: Relations 'Durable,' 'Settled' *[VNA]* 40

Nguyen Khanh Receives French Lawyers Delegation *[VNA]* 40
Vo Van Kiet To Visit Malaysia 22 Jul *[AFP]* 41
Joint Oil, Gas Development Talks To Be Held Soon *[AFP]* 41
Son Sann Statement on Troops in Cambodia Rejected *[VNA]* 41
Vo Van Kiet Visits Truong Son War Cemetery *[Hanoi Radio]* 41
Vo Van Kiet Writes to Vocational School Teachers *[NHAN DAN 18 Jun]* 42
Nguyen Huu Tho Visits Hydroelectric Project *[Hanoi TV]* 42
Le Quang Dao Attends Conference on Employment *[Hanoi TV]* 42

ASEAN Foreign Ministers Speak at Manila Meeting

Philippine President Opens Meeting

HK2107110292 Quezon City Radyo ng Bayan in Tagalog 0121 GMT 21 Jul 92

[Speech by Philippine President Fidel V. Ramos at opening of the ASEAN ministerial meeting in Plenary Hall of the Philippine International Convention Center, Manila—live; in English]

[Text] Your Excellencies of the Diplomatic Corps, Distinguished Delegates, Fellow Workers in Government, Ladies and Gentlemen.

I am delighted to make this first address as president of the Philippines before an international gathering, at this 25th meeting of the foreign ministers of ASEAN. I am equally delighted to confide to you this early that I have made up my mind that after my most urgent work is done here at home, my first series of visits abroad shall be to our ASEAN neighbors and friends. This joyful feeling arises both from my personal reasons and from the Philippine Government's continuing commitment to the ideals and objectives of ASEAN. As many of you may know, my late father, Narciso Ramos, as foreign secretary of the Philippines, was one of ASEAN's founding signatories. And as this second generation Ramos in ASEAN, I am proud to carry on the noble work that my father and his colleagues began in August 1967.

As we look back on the quarter century of ASEAN's existence, we take pride in the contributions that ASEAN has made as a stabilizing influence in our part of the world, most notably in the Indochinese states. We take pride, too, in the economic progress that our region has achieved in which ASEAN-inspired cooperation has played a very significant part.

ASEAN has been universally hailed as the most successful among the regional organizations in the developing world, but ASEAN is not just another regional organization. We in the Philippines consider ASEAN to be unique in its openness to the world and its flexibility in relating to other countries and to other regions. This openness and flexibility are manifested in ASEAN's annual conference to take place in a couple of days, with its dialogue partners from the developed world, now grown to seven in number, with still others wishing to join in.

The said openness and flexibility are signified also by the participation once again on this occasion of Papua New Guinea, ASEAN's only observer nation. Of great historic significance is the attendance for the first time of the foreign ministers of the Socialist Republic of Vietnam and the Lao People's Democratic Republic. They have come to turn over the instruments of their countries' accession to the Treaty of Amity and Cooperation. We are likewise gratified by the presence of the foreign ministers of the People's Republic of China and the Russian Federation. To all of you, welcome, mabuhay [long life], long live.

This historic ASEAN ministers' meeting takes place against the background of rapid fundamental changes around the world. The pendulum of history now swings away from authoritarianism and towards pluralist egalitarian policies. From high degrees of state interventionism to more open market-oriented yet socially responsible economic systems. These are the trends that make the momentum for regional cooperation unstoppable and inevitable.

While we saw the end of the cold war has unfortunately unleashed ethnic conflicts somewhere else, it has generated a season of grace in our part of the globe. In Afghanistan, in Indochina, and even on the 38th parrallel, we have recently seen some welcoming warming of attitudes once seemingly frozen in hostility. I hope we shall avail of this favorable atmosphere that is evolving to build greater confidence between and among us, within ourselves, within Southeast Asia and East Asia as a whole.

We must continue our efforts to enlarge the scope of the Treaty of Amity and Cooperation, promote its recognition, and strengthen its effectiveness. Such an activity as defense cooperation, military consultations, and exercises at various levels should now be intensified and expanded. Cooperation in military training and technical exchange ought to be set up.

ASEAN cooperation has become urgent in other areas as well, in protecting the regional environment, arresting the growing menace of piracy in regional waters, and curbing the illicit drug trade. On all of these problems, let us cast aside excessive caution and renew our faith in ourselves and in one another. That is what our people expect of each of us.

The political dialogues on regional security and on specific security issues should proceed apace; the amicable settlement of differences should be pursued with greater determination. We in ASEAN must also strengthen our support for the United Nations and its political-economic instrumentalities as the primary cooperation mechanism among the big powers. The United Nations is bound to have a bigger role in peacekeeping and in the resolution of disputes among nations.

With change, of course, come new uncertainties and new anxieties. Despite the removal of the tensions generated by the cold war, there are areas in our region where the potential for trouble remains. Rival claims to island groups in the South China Sea are a growing cause for concern. While no settlement is possible overnight, we cannot any more postpone the urgent necessity to seriously seek a solution. We cannot defer such a serious effort indefinitely, lest the unsettled question lead to perilous developments. The Philippines continues to support the peaceful resolution of such conflicting claims

in the hope that this will lead to the joint and mutually beneficial exploration and development of the resources to be found therein.

Beyond specific issues, we should develop a common vision of the security and stability of the region in the years, and even generations, to come. The ongoing dialogues on regional security and the inclusion of security concerns in ASEAN's formal agenda are an encouraging beginning. We therefore call upon other states to join ASEAN in search of that common vision, the sooner the better.

Perhaps the most effective way of enhancing regional security is the strengthening of regional economic cooperation. For economic cooperation gives every participating country a vital stage in the attainment of friendly and stable relations with its neighbors. The example of Western Europe gives evidence of that, if any is needed.

Many have pointed out to the irony of the fact that while ASEAN was ostensibly established primarily for economic purposes, it has become more successful in political cooperation. That may be true although it is not necessarily improper. For it may have been necessary to first gain mutual trust through political cooperation in order to acquire the will and the confidence to strengthen economic collaboration.

Now it has become necessary to make significant strides in economic cooperation both for its own sake and for the sake of political stability and in order to improve the lives of the people of our region.

Today, the Philippines is firmly committed to the realization of the ASEAN Free Trade Area. Economic cooperation in ASEAN has underlined as its principal components the liberalization of trade and therefore free competition among its members.

The Philippines under its new administration welcomes these developments. Our hope for economic recovery and sustainable development lies not in protectionism and monopolies but in competition; not in state control but in free enterprise; and not in government regulation but in private initiative. Apart from increasing trade among ourselves, securing continued access to Western markets and technology has now become the most vital and common concern of ourselves and our regional partners. Over the past quarter of a century, ASEAN has gathered our countries together, like rice stalks in a sheaf at harvest time, in common action to accelerate the economic growth and the cultural development of our region in a spirit of equality and friendship.

In so doing, ASEAN has once more confirmed Southeast Asia's ancient sense of unity in ethnicity, in culture, and in aspirations. Let us move on together on this historic journey we have embarked upon to attain the fullnes of freedom, peace, and prosperity for ourselves and our posterity. Let us maintain the thrust that binds us and reinforces our stake in one another. At the same time, let us remain open to the world.

The fast-breaking changes in the international community in part renewed urgency to increase ASEAN cooperation, for regional security, economic growth, and a wide variety of other endeavors. I am confident that the years of experience and expertise gained in ASEAN's 25 years of coooperation, coupled with our collective dedication and commmitment to the ideals of ASEAN, will enable all of us to accomplish our work smoothly and with dispatch.

Secure in that thought, it is with great pleasure that I declare open this 25th ASEAN ministerial meeting. Thank you, mabuhay, long live ASEAN.

Thai Minister's Address

HK2107122692 Quezon City Radyo ng Bayan in Tagalog 0156 GMT 21 Jul 92

[Speech by Thai Foreign Minister Asa Sarasin at the 25th ASEAN ministerial meeting in Plenary Hall of the Philippine International Convention Center, Manila—live; in English]

[Text] Mr Chairman, Excellencies, Distinguished Delegates, Ladies and Gentlemen.

Our meeting at this 25th ASEAN Ministerial Meeting indeed began with a positive note with the inspiring opening address by His Excellency President Fidel Ramos. His vision for ASEAN is one to be shared.

We in Thailand warmly welcome his excellency's assumption to the high office of the presidency of the Philippines. We are convinced that under his excellency's able and dynamic leadership, the people of the Philippines will achieve greater progress and prosperity.

I wish also to take this opportunity to pay a warm tribute to our chairman, His Excellency Raul Manglapus, whom we deeply regret will be leaving us after so many years of distinguished and dedicated service to his country and the cause of ASEAN. But we still look forward to benefiting from his wise counsel for many years to come.

I would also like to offer our greetings to His Excellency Maimu Rakanu, special envoy of Papua New Guinea, whose presence serves to underscore the close and the fruitful association which we in ASEAN have long enjoyed with Papua New Guinea. And indeed, it is an historic occasion that we have with us for the first time their excellencies, the foreign ministers of the Socialist Republic of Vietnam and the Lao People's Democratic Republic, who are here to observe their countries' accession to the Treaty of Amity and Cooperation in Southeast Asia.

We are also honored by the distinguished presence today of their excellencies, the foreign ministers of the People's Republic of China and the Russian Federation. Their presence at this opening ceremony, together with the consultation which we will be having with them, testify to the era of interdependence and cooperation in regional and international relations.

Mr. Chairman, we have gathered here in Manila for yet another of our annual meetings. Actually, it seems only a short while ago when we last met in Kuala Lumpur last year. In Kuala Lumpur, our discussions focused mainly in the direction which ASEAN should be heading to meet the challenges caused by the end of the cold war. But here in Manila, the big difference is that the future direction of ASEAN has become clear to all of us in the wake of the fourth ASEAN summit in Singapore in January, which produced a number of landmark decisions.

So, the task before us, at this 25th annual ministerial meeting is equally clear: To carry forward the ASEAN agenda for the future as spelled out by our heads of government in Singapore. Indeed, after 25 years of existence, ASEAN has now come of age. With our past successes, it is now mature and we are confidently embarking on a future course of moving towards economic integration within the ASEAN, of building a new regional order of peace and cooperation in the whole of Southeast Asia, of working towards expanding meaningful ties of partnership with countries beyond our region.

The past 25 years can be described as a time of constant building and consolidation of our [word indistinct] cohesiveness. The next 25 years will certainly be a time of greater initiative and self-confidence as ASEAN enters a new era, a new phase. To be sure, with the sweeping changes in the world, there is no looking back. There is no other alternative. We cannot afford to be hesitant. Let us be firm and determined in our commitment to reinvigorate and revitalize the ASEAN by implementing the decisions of the fourth ASEAN summit, including the strengthening of the ASEAN structure in the area of social coverage.

Mr. Chairman, looking into the future, I am confident that 15 years from now, we will look back and say that the ASEAN leaders have indeed made the right decision of moving ASEAN towards the goal of a free trade area. After, is our response to the challenges of greater economic competition in the world by dismantling barriers to trade after we generate more intra-ASEAN trade and investments. [sentence as heard] [word indistinct] more importantly make us more competitive vis-a- vis the realities in attracting increased flow of trade and investment in our region.

In the past, we could afford to be complacent because each was doing so well on their own but now, if we fail to get our economic act together, we all will have to bear the consequences of being left behind.

I can assure that Thailand, which has been an initial advocate of ASEAN, will honor its unilateral promise by Prime Minister Anan at the Singapore summit, to bring down virtually all our tariff rates to a maximum of 30 percent and then down to 20 percent by January 1993 and 1994 respectively. I want to assure that our government, though, is indeed concerned. We are rigorously at work implementing these tariff cuts within the declared time frame. They have caused some of our private sector, like in other ASEAN countries, who have enjoyed protection for so long, that they are inclined to resist the inevitable trend toward liberalization. [sentence as heard] We must convince them that they too will stand to benefit from the longer-term gains that are bound to ensue from the opening of our markets to one another.

Ultimately, the success of ASEAN will not depend only on formal arrangements and measures on the part of our governments but, even more so, on the involvement of our private sectors. And that can only come if we maintain the free enterprise and market-oriented policies which shall provide conducive environments for the private sector to expand economic links within ASEAN.

With the progress we are making in both government and private sector levels, I would hope that by the time of the next summit, we could even shorten the current 15-years time frame for the achievement of AFTA [ASEAN Free Trade Area]. What we must bear in mind is that the purpose of intra-ASEAN economic cooperation is not to be inwards looking, but precisely the opposite.

Economic cooperation is meant to enhance our position as one of those called to the expanded economic linkages within the dynamic Asia-Pacific region. [sentence as heard] From the standpoint of ASEAN the outer rings of these rings is APEC [Asia-Pacific Economic Community]. In between APEC and ASEAN lies the possibility of intermediate rings of economic links which we are forging with the rest of South Asia, especially the Indo-China countries and, perhaps, even with the proposed EAEC [East Asia Economic Caucus] groupings.

With the success of the Uruguay Round still very much in doubt, the interlocking framework of regional economic cooperation would ensure that our interests are properly safeguarded and that ASEAN continues to play a vital role in promoting the economic dynamism and prosperity of the Asia-Pacific region.

Another vital [words indistinct] approach to regional cooperation is our dialogue relations with countries outside our immediate region. Now that ASEAN has become mature, it should also be reflected in the maturity of our dialogue relations as well.

In Kuala Lumpur last year, I expressed my conviction that the so-called donor-recipient relationships is not what we seek. We should tell our dialogue partners that what we seek is not aid. What we seek is not aid, especially when it is offered with strings attached. What we seek is a more equal partnership of faith and best friends from which both sides can benefit. We seek to work together in all areas of genuine mutual benefit, be they by trade, by market [word indistinct], and by investment cooperation.

As partners, we therefore find unacceptable should there be any attempt to use this dialogue relationship as a ruse to impose certain conditions and standards on us. As Southeast Asians we have always believed that that is the Southeast Asian way. And tomorrow, with the accession

of Vietnam and Laos to the Treaty of Amity and Cooperation, we mark the beginning of a new era of peace and cooperation throughout the whole of Southeast Asia.

While naturally it is assumed that Vietnam and Laos will accept the treaty, hence they will eventually become a member of the ASEAN family, it is my fervent hope that they will be able to be with us before long, that is why we collectively and inevitably need to create a conducive condition and an environment which will ease and facilitate their entry into ASEAN. We must, therefore, keep our doors open and continue with these [word indistinct] process of building bridges to assist our less fortunate neighbors so that they too will become an integral part of the region's increasing economic progress and prosperity.

It is the [word indistinct] objective of Thailand's policy as evidenced by the development cooperation program which we have made available to those neighboring countries of ours. I, myself, have made it a point to emphasize to members of the Thai private sector, who have gone to do business with our neighboring countries, that we must not seek any short-term gains. We must build a solid foundation for long-term relationships based on mutual benefits.

In the making of a new Southeast Asia, ASEAN should actively pursue the policy of engaging with our neighbors in constructive dialogues and in the process of market-oriented economic development.

If the favorable trends that are emerging in Vietnam, in Laos, in Burnma are to be continued and reinforced, it is important for all of us to assist the process by offering our encouragement and strong support through a policy of constructive engagement, and not one of disengagement. If our neighbors are also at peace and enjoy the prosperity that comes with open markets, that we in ourselves have achieved, then that is the best currency for long-term peace and stability in the whole Southeast Asia.

Mr. Chairman, in spite of all the positive developments, we cannot help but be concerned for the current impasse in the Cambodian peace process. We realize that one of the Cambodian parties has refused to implement Phase Two of the Paris Agreement which is a crucial phase in the peace process.

We also realize that Mr. Akashi, as the special representative of the UN secretary general for Cambodia, is making every effort aimed at persuading the Party of Democratic Kampuchea to rejoin the peace process. As a signatory of the Paris peace agreement, let me state Thailand's position very clearly. We believe that all sides must abide by the letter and the spirit of the peace treaty. For if it is the purpose of one particular party to undermine the implementation of the peace agreement, then that is totally unacceptable. But if they are seeking to raise concerns that are legitimate, then we believe that these concerns should be addressed within the bounds of the peace agreement because for the peace in Cambodia to be durable all the Cambodian parties must be on board. In the final analysis, the responsibility for resolving the present impasse must rest with the Cambodians themselves. If there is a person whose role figures most prominently in the peace process, it is His Royal Highness Prince Norodom Sihanouk, the father of Cambodia.

Recalling ASEAN meetings which eventually led to the signing of the Paris peace agreement, we therefore believe that the best way of overcoming the obstacles that have arisen is to give the opportunity for the Cambodians themselves to move as much as possible under the chairmanship of His Royal Highness Prince Norodom Sihanouk with the support of the ASEAN.

We, on the part of Thailand, have every confidence in the prince's leadership and statesmanship in bringing about genuine national reconciliation which is the prerequisite of a just and lasting peace in Cambodia.

Let me state that apart from the Cambodians themselves, there is no other country that truly desires peace in Cambodia more than Thailand. Having suffered the repercussions of the Cambodian conflict through all these years, an end to the conflict is very much in Thailand's own interest, in the interest of providing peace and stability in Southeast Asia to which the ASEAN has always aspired.

Looking ahead to the post-Cambodian period, we believe that the guiding principles of peaceful settlement of this [words indistinct] lie in the Treaty of Amity and Cooperation in Southeast Asia, which we hope will be subscribed to by all countries within and outside the region.

In conclusion, I would like to say that as we mark the 25th anniversary of ASEAN this year, let us do so with a sense of confidence and maturity born of 25 years of successfully overcoming initial hurdles. Let us now be ourselves for the next lap which will be a time of greater initiative and perhaps even greater challenges for ASEAN.

The direction we are heading is clear. Let us move forward. Let us prove ourselves equal to the task at hand so that the next generation in ASEAN, and in Southeast Asia, will enjoy an even brighter tomorrow.

Lastly, I would like to express on behalf of the Thai delegation our sincerest appreciation for the warm welcome and splendid hospitality which we have received from the cabinet and the people of the Philippines. Thank you very much. [applause]

Indonesian Minister's Speech

HK2107140292 Quezon City Radyo ng Bayan in Tagalog 0229 GMT 21 Jul 92

[Speech by Indonesian Foreign Minister Ali Alatas at the 25th ASEAN ministerial meeting in Plenary Hall of the Philippine International Convention Center, Manila—live, in English]

[Text] Mr. Chairman, Your Excellencies, Distinguished Delegates, Ladies and Gentlemen.

On behalf of the Indonesian delegation, I should first like to express our gratitude to His Excellency President Fidel Ramos for the valuable guidance he has provided us through his illuminating inaugural address which, indeed, sets the precise tone for our deliberations at this meeting.

I should also like to join my distinguished colleagues in congratulating you, Mr. Chairman, on having been elected to preside over this 25th ASEAN ministerial meeting. Under your leadership, our meeting will doubtless be productive and successful.

It may well be that this is our last ASEAN ministerial meeting with you. But in a real sense, you will always be with ASEAN for you have left an indelible imprint on it and, indeed, on the entire conduct of Philippine foreign policy. I am, therefore, confident that we will continue to meet and that will always be, as it is today, a pleasure and a privilege. We wish you the very best in all your future undertakings.

To my distinguished colleague Foreign Minister Wong Kan Seng of Singapore, our sincere congratulations on his election as vice chairman.

It gives me particular pleasure to extend a warm welcome to His Excellency Mr. Nguyen Manh Cam, minister for foreign affairs of the Socialist Republic of Vietnam, and to His Excellency Mr. Phoun Sipaseut, minister for foreign affairs of the Laos People's Democratic Republic.

During this meeting, they will be presenting the instruments of accession of their respective countries to the ASEAN Treaty of Amity and Cooperation. This is, indeed, a milestone in our neighborly relations with Vietnam and Laos and should accelerate the growth of a harmonious, stable, and prosperous Southeast Asia.

I am very happy to see in our meeting His Excellency Mr. Qian Qichen, minister for foreign affairs of the People's Republic of China, who is attending our meeting for the second time; and His Excellency Mr. Andrey Kozyrev, minister of foreign affairs of the Federation of Russia.

Their presence here provides us with the opportunity for a meaningful dialogue and consultation in the interest of promoting peaceful cooperation and common progress in the Asia-Pacific region.

I am also pleased to welcome His Excellency Mr. Maimu Rakanu, special envoy of Papua New Guinea, a steadfast friend of ASEAN in the Pacific region. Mr. Chairman, our meeting today, the first since the momentous fourth ASEAN summit six months ago, serves as a timely opportunity for us to review the actions we have taken and to follow up what we have outlined in the implementation of the summit decision.

A world in pervasive transition and profound transformation was the backdrop of that summit. Rather than be caught in the sweep of historical events, the leaders of ASEAN seized the moment and resolved that the association should not only remain steadfast in the pursuit of its fundamental goals, as laid down in the Bangkok Declaration 25 years ago, but should also adapt dynamically to an increasingly interdependent and multipolar world.

Henceforth, ASEAN shall rise to a higher plane of political and economic cooperation. Taking into account the changing and, generally, more conducive circumstances in the region, the ASEAN leaders also resolved to seek the early realization of the ASEAN blueprint for a Zone of Peace, Freedom and Neutrality [ZOPFAN] and a Southeast Asian Nuclear Weapons Free Zone.

While thus reaffirming its undiminished commitment to the vision of ZOPFAN and a Southeast Asian Nuclear Weapons Free Zone, ASEAN will also promote internal and external dialogue on political and security measures, using established quorums with the view to enhancing comprehensive security in the wide Asia-Pacific region.

At the same time, it will endeavor to further strengthen the existing network of bilateral and trilateral security cooperation between member countries on the basis of the body's concourse.

There can be no doubt as to the value of this network of appropriation but, in the ultimate analysis, all of us believe that regional peace and stability can best be enhanced through the administering of our respective national resilience, leading to regional resilience and through positive collaboration towards this end.

As to the OPRO [acronym as heard, expansion unknown] context, an effective framework is also indeed already in place, with just the Treaty of Amity and Cooperation. We, therefore, urge that other countries in Southeast Asia shall follow the example of Vietnam and Laos in acceding to the treaty.

A bright beacon in our striving for stable peace in the region was the signing of the Paris agreement on a comprehensive political settlement in the Cambodian conflict last October. Yet, we never had any illusions that the process of implementation will be simple and easy.

Thus, while we fully share the concerns of everyone over the difficulties now being encountered in implementing the second phase of the military arrangements, we continue to have confidence in the capability of the Cambodian people under the leadership of His Royal Highness Samdech Norodom Sihanouk and the members of the SNC [Supreme National Council], in cooperation with the UNTAC [United Nations Transitional Authority in Cambodia] to overcome these difficulties.

Indonesia believes that when the Paris agreement is fully implemented the dark episode of war, of destruction, and untold human suffering in Cambodia can finally be relegated to the recesses of history. Thus the ardent longing of the Cambodian people for peace and renewal can be realized only if all the Cambodian factions stand

by their commitment to all the provisions of the Paris agreement and if the international community maintains its unwavering support to the mission of the UNTAC.

We cannot allow the unraveling of the Paris agreement without condemning the Cambodian people to more suffering and more bloodshed. Neither can we condone any party to the agreement reinterpreting some of their positions.

While legitimate demands for greater clarity and fidelity in the implementation of some of their positions indeed deserve to be considered, the agreement should now be upheld in its current totality. For it should be clear that a breach in one part endangers implementation of the other constituent parts. In this context, I should like to extend Indonesia's appreciation to the Government of Japan for hosting the successful ministerial conference on rehabilitation and reconstruction of Cambodia last month in Tokyo.

Mr. Chairman, regarding the problem of the Indochinese refugees, I am pleased to note recent encouraging developments such as the decrease in arrivals in the countries of temporary refuge, the increasing rate of voluntary repatriations, and the much appreciated efforts exerted by the UNHCR [United Nations High Commissioner for Refugees] to resolve this problem.

Still, this development may not suffice in meeting the deadline of the agreed timeframe of the comprehensive reinspection which is rapidly approaching.

Asia will continue to insist that the implementation of the CPA [expansion unknown] must conclude with the resettlement of all refugees and the repatriation of all nonrefugees without leaving any residuals in the country of temporary refuge.

In the meantime, we urge that measures be taken for the accelerated reduction of the refugee population in the ASEAN countries. Mr. Chairman, within our region is an area of significant strategic importance that is also perceived to be endowed with a potential wealth of natural resources. I refer to the South China Sea, where there are overlapping claims of sovereignty and jurisdiction over all or some particular islands and marine areas by no less than six claimants.

The South China Sea's obvious potential for conflict, therefore, is a source of growing concern. Nevertheless, Indonesia is heartened to note the expressed willingness on the part of the countries concerned to enter into dialogue and to settle their conflicting claims through peaceful means.

Goverament officials in their personal capacities, scholars, and technical experts from the region who had the meeting in Indonesia to explore possibilities on how to manage potential conflicts in the South China Sea, have advanced the proposition that even pending the resolution of sovereignty and territorial disputes, the littoral states could already engage in mutually beneficial cooperative activities that would not prejudice their respective claims.

These possible cooperative activities should include an assessment of living and nonliving resources of the area and the possibility of their joint development, [words indistinct] with the view to enhancing navigational safety and cooperation in combating marine pollution, in search and rescue operation, disaster mitigation, and marine scientific research.

Meeting in Yogyakarta recently, they reiterated the recommendations of their previous meetings in Bandung and Bali for their respective governments to renounce the use of force and to settle the territorial and jurisdictional disputes through dialogue and negotiation and to exercise self-restraint in order not to complicate the situation.

Indonesia strongly believes that if all parties concerned commit themselves to resolve their conflicting sovereignty claims by peaceful means, and if they do heed this call for constructive collaboration, we may yet be able to transform the potentially mutually destructive confrontation in the South China Sea into the reality of mutually beneficial cooperation among the countries of the region.

Mr. Chairman, we note with anguish and concern that the end of the cold war has not removed all incidences and sources of conflict in the world and has yet to bring about peace on a global scale. Territorial conflict beset by narrow nationalistic fervor and inflamed by ethnic and religious enmity continues unabated in the former Yugoslavia.

Indonesia fully shares in the sense of outrage of the entire international community at the carnage that is being inflicted on the people of Bosnia and Hercegovina, especially its majority Muslim population.

The ASEAN countries are called upon to join international efforts to put an urgent stop to the violence and bloodshed and to bring a comprehensive resolution that will enable the people of Bosnia, Hercegovina, and indeed of all of the former Yugoslavia to coexist in peace and social harmony, free from external interference from any quarter.

In the Middle East, Israel persists in its illegal occupation of Palestine and other areas of land and continues to deprive the Palestine people of their inalienable right to self-determination and sovereign status.

The Arab-Israeli peace process currently under way has failed to make any substantive progress due to Israel's persistently negative stance in the negotiations.

It is to be hoped that the new Israeli Government will realize that to prevent causing irreparable damage to the peace process it has to change course and abandon its [words indistinct] in the conference table and deescalate its repression on the ground.

In South Africa, though some of the main pillars of aparth:id have been brought down, the legacy of institutionalized racism still survives in the form of profound political, social, and economic injustices borne of deeply entrenched discriminate [words indistinct]. Unless the Pretoria government redresses the flagrant inequalities inflicted upon the black majority, the durability of any political settlement cannot be assured and South Africa's transition to a united, democratic, and nonracial society will be fatally endangered.

Mr. Chairman, in surveying the international economic scene, we cannot but remain concerned over the continuing sluggishness in the global economy and its adverse effects on the trade and growth prospects of developing countries, including Asia.

The major developed countries are still caught in prolonged recession. On the other hand, the developing countries continue to face severe external constraints, such as increasing protectionism, historically low primary commodity prices, mounting debt burdens, and increasing competition for capital and investment resources.

The Uruguay Round continues to be in a state of paralysis despite recent signs of some progress movement and the strenuous efforts exerted by the director general of the GATT who, late last year, presented a draft final text as a basis on which to continue negotiations and to conclude the round.

The impasse remains centered on the agricultural issue, over which the United States and the European Community in particular need to resolve their basic differences.

The ASEAN countries, as all other developing countries, have a vital stake in the [word indistinct] and timely conclusion of the round. For a long delay will only further complicate the negotiations and is already having a negative impact on world trade. [Words indistinct] will inevitably result in the unraveling of the multilateral trading system to the detriment of developed and developing countries alike.

There is a pressing need therefore to inject a new emphasis into the negotiations and we urge the major industrialized nations to demonstrate the necessary political courage and determination to break the impasse on agriculture, which is a prerequisite for a forward movement in the other areas.

Mr Chairman, these adverse developments and trends have tended to deepen the sense of uncertainty and unpredictability in the world economy. However, on the brighter side we can point with justifiable satisfaction to ASEAN's record of achievement in its chosen path of development. The same economic growth, stability, and strong commitment to equitable and mutually beneficial cooperation has been the hallmark of this record.

But, while ASEAN's progress and development has made it a model for examination by others, we cannot afford to become complacent or to rest on our laurels.

Experience teaches us that it is only through commitment to basic principles and sound qualities and being timely and patient in change that we can prevent regression and ensure further progress and the historic significance of the landmark agreement and new direction in ASEAN economic cooperation concluded by our heads of government at the ASEAN summit held in Singapore last January.

Directly related to the problem of development is the global concern for preservation of the environment. These two problems cannot be addressed separately. Environmental concerns must be integrated with development imperatives and require a new global partnership for sustainable development. Debt global partnerships, however, must be based on respect for sovereignty and on the principles of equity and equality among states. They must also be based on the [word indistinct] that differentiated responsibilities of developed and developing nations.

Indonesia welcomes the vision of [word indistinct] as embodied in the Rio Declaration Agenda 21 and the nonlegally binding authoritative principles for a global consensus on the management, conservation, and sustainable development of all types of forests.

Their effective implementation, however, is possible only if developed countries and multilateral financial institutions are prepared to provide the commensurate, additional financial resources and environmental technology required by the developing countries.

Mr. Chairman, I feel it is my duty to inform this meeting of another significant dialogue of a global scope that is to take place within our region. Indonesia has been working on it and privileged with the task of hosting the same conference of the heads of state of governments of the Nonaligned Movement [NAM]. We believe that this summit is of pivotal importance, not only to the members of the movement, but also to all developing countries for, among the basic issues in its deliberations, will be their equitable participation in the shaping of a new world order.

I look forward to welcoming my Nonaligned Movement colleagues in Jakarta when the NAM summit takes place early September.

Mr. Chairman, as a consequence of the Singapore summit, we are today imbued with a sharper sense of what ASEAN is and of what it could be. Our association was founded on the proposition that there can be no stable peace nor common security without economic growth and prosperity, and the reverse is equally true.

Now that we have attained a measure of regional stability through the joint development of our political and

socio-economic strength, it is time for a new and vigorous initiative in the sphere of economic cooperation. In turn, enhanced economic cooperation will strengthen and deepen our friendship and goodwill that are really the foundation of our stability.

Let us continue to consolidate this intrinsic trend while making full use of the dynamism of our society and, together, we will meet the challenges and embrace the opportunity of the 21st century. I thank you very much.

Malaysian Minister's Speech

HK2107144092 Quezon City Radyo ng Bayan in Tagalog 0252 GMT 21 Jul 92

[Speech by Malaysian Foreign Minister Abdullah bin Hadji Ahmad Badawi at the 25th ASEAN ministerial meeting in Plenary Hall of the Philippine International Convention Center, Manila—live, in English]

[Text] Your Excellencies, Distinguished Guests, Ladies and Gentlemen.

On behalf of my delegation, I wish to thank His Excellency President Fidel V. Ramos for his inspiring opening address which I am certain will serve as an important reference for deliberation. My delegation and I wish to take this opportunity to offer him our sincere congratulations on his election to the highest office in the Philippines, a position from which he can shape the destiny of his people and bring a positive impact on the affairs of the region.

I also wish to congratulate His Excellency Mr. Raul Manglapus on being unanimously elected chairman of our meeting and His Excellency Mr Wong Kan Seng on his election as vice chairman. I would like to welcome His Excellency Mr. Maimu Rakanu, special envoy and acting minister for foreign affairs and trade for Papua New Guinea and his delegation. His presence attests to the close relations between ASEAN and Papua New Guinea and the countries in the South Pacific.

Similarly, I welcome His Excellency Mr. Qian Qichen, foreign minister of the People's Republic of China and His Excellency Mr. Andrei Kozyrev, the foreign minister of the Russian Federation. Their presence here reflects the increasingly close relations ASEAN has with China and Russia and provides the opportunity for us to again exchange views on matters of mutual interest.

I also welcome His Excellency Mr. Manh Cam, the foreign minister of the Socialist Republic of Vietnam and His Excellency Mr. Sipaseut, foreign minister of the Lao People's Democratic Republic. Their presence and the accession by their countries to the Treaty of Amity and Cooperation in Southeast Asia mark the beginning of a new chapter in the relations among countries in Southeast Asia.

Your Excellencies, this is our first meeting since our heads of government gathered at the Singapore summit six months ago, where important decisions were made to further enhance cooperation among us. The objective was, and should always continue to be, increasing prosperity for all and the enhancement of security for the region.

As ASEAN prepares to move ahead, we must continue to observe certain norms that have served ASEAN intraregional relations well. The process of confidence and consensus building has fostered the mutual trust among ASEAN leaders as well as among its people. Where there has been confrontation, there is now consultation; instead of conflict, we have reconciliation; and instead of coercion, there is consensus.

Through our habit of discussion and observance of the underlying principles of consultation, we have created a climate of stability and confidence within our geopolitical sphere. This has enabled ASEAN to grow and prosper economically. Indeed, ASEAN's strength lies in its non-confrontational attitude. We should constantly maintain and enrich this habit.

As we look at the tragic events elsewhere following the end of the cold war, we are certainly encouraged by the accession of Vietnam and Laos to the Treaty of Amity and Cooperation in Southeast Asia, which is a testimony that our neighbors are ready to subscribe to the ASEAN framework for consultation and cooperation. This is the beginning of a process of constructive relations between us. ASEAN can therefore look forward to the eventual entry of Vietnam and Laos into the ASEAN [word indistinct].

An expanded, a unified ASEAN will all go well for the region in terms of security, economic development, and overall prosperity and thus more influence on global events.

In the past, ideological differences and sides have [word indistinct] the achievement of a zone of stability in Southeast Asia and impeded intra-Southeast Asia political and economic cooperation. We hope that together, the countries in the region can now build on the prevailing climate of reconciliation and goodwill to make Southeast Asia a secure and a more dynamic center of economic growth.

We must ensure that the latest situation in Cambodia does not deteriorate. Its deterioration would surely undermine the stability we have built and draw attention away from national and regional building. I'm heartened, however, that despite the abberation, peace is holding—a point, perhaps the fact, that the Cambodians themselves are eager for peace. [sentence as heard] Nevertheless, ASEAN needs to continue exerting its influence to ensure that the peace process proceeds on schedule.

We appeal to the international community to ensure that [word indistinct] be provided with the necessary financial and personnel requirements to carry out its mandated task. All efforts must be made to allow the Supreme National Council to play an effective role in bringing lasting peace and reconciliation in Cambodia.

We have demonstrated our willingness and will continue to do so to help in its reconstruction.

Your Excellencies, a Southeast Asia that is peaceful, united, and prosperous has long been our goal. The ASEAN region has now emerged as the world's fastest-growing economic region. For us to [words indistinct] regional peace and stability, it is imperative that all differences be resolved peacefully through negotiations without resort to confrontation.

Malaysia thus views with great concern present developments arising from sovereignty and jurisdictional disputes over islands and reefs as well as maritime space in the South China Sea. Any adverse development leading to heightened tension or conflict in the region could only result in dire consequences to the region's well-being, bringing in its wake the risk of extraregional involvement, and putting back years of painstaking efforts and nurturing relations based on mutual trust and confidence.

Malaysia wishes to underline the need for parties concerned to exercise self-restraint with the view to creating a positive climate for the eventual resolution of this dispute. Any differences can be managed if the parties concerned demonstrate sincerity and reasonableness. [words indistinct] ASEAN instrument such as the Treaty of Amity and Cooperation in Southeast Asia can provide the framework for discussions. We urge parties directly concerned to apply these principles.

Our heads of government at the fourth summit had [words indistinct] avenues to engage member states in new areas of cooperation and in security matters. To my mind, the [word indistinct] Declaration of 1971 contained the fundamental expression by ASEAN countries of their desire to meet and [word indistinct] with each other and to be free from any manner of interference from outside powers.

To enable Southeast Asia to be at peace and to enable all of us to develop our socioeconomic potentials, we must build upon the basic fundamentals of [word indistinct]. Towards this end, we must continue the process begun with the signing of the Treaty of Amity and Cooperation. That our neighbors are acceding to this treaty is a positive sign that our goal is attainable. The proposal for a nuclear weapons-free Southeast Asia, an important gesture in this direction, should be pursued.

Your Excellencies, the ASEAN Free Trade Area, AFTA, is a part of the process towards integrating our economies. It is a demonstration of our commitment towards widening and giving depth to our cooperation and towards maintaining a free trading environment.

We must thus realize it within the timeframe agreed upon or presently, much earlier. I am confident that as AFTA becomes a reality, ASEAN will move towards greater integration, bringing long-term benefits to ASEAN members or countries individually and to our regional organization as a whole.

Inasmuch as we have tried to realize AFTA to promote our intraregional economic relations, the international community, in particular the developed countries, must cooperate to ensure that the international environment remains conducive to trade. The prominent powers of the developed nations on whose political leadership the future of the Uruguay Round negotiations rest, must demonstrate genuine political commitment and leadership to promote and enhance global trade. Negotiations must succeed. With the cold war having ended, we [words indistinct] an economic war, the fallout of which will be no less debilitating especially for ASEAN and developing countries.

We know that singly, countries in Southeast Asia, even the dynamic economies of East Asia, have exercised neglible political influence in global decisionmaking. A distinct, united East Asian voice is high above bound to make a difference. [sentence as heard] This is the rationale for the proposed EAEC [East Asian Economic Caucus] so that ASEAN and other East Asian countries can effectively participate in the writing of the new rules for global trade and economic redirection. They will serve to champion the cause of maintaining an open multilateral trading system.

The other countries form a cluster around their own regional economic or consultative groups to promote their own economic and social interests. We in East Asia must not be prevented from doing so. We in ASEAN must therefore actively pursue this concept of a consultative forum in East Asia in line with the directive of our leaders. In this regard, I'm happy to note that it is the decision of the Joint Consultative Committee [JCM] meeting on 19th July 1992 [word indistinct] the secretary general of the ASEAN secretariat as chairman of the JCM to study an appropriate modality that would complete the elaboration of the EAEC concept as a step towards its realization.

Your Excellencies, another area of critical importance that merits our attention concerns the related issues of the environment and development. The historic opportunity to forge a global partnership between the developed and developing countries respectively address these issues brought forth in Rio. However, that is a process which will continue and Rio's importance is that it has initiated the necessary momentum for the process to be further developed.

These principles governing the relationship between the developed and developing countries in their common efforts to deal with global environmental degradation while sustaining development were endorsed by more than 100 governments. What was lacking was the financial commitment to match them.

The issue of the environment and development embraces virtually all the major aspects of international relations and deserves our close attention. It is therefore of political importance to developed countries. But, regrettably, they had considerable difficulties in arriving

at and in maintaining a common stand in UNCED [United Nations Conference on Environment and Development].

If ASEAN can intensify its cooperation on environmental issues at both regional and global levels, we could provide the necessary leadership and enhance our global credibility in the program.

Your Excellencies, the decision of our leaders to restructure the ASEAN secretariat is a testimony to ASEAN resolve to move towards the highest plane of economic and political cooperation. We expect the revamped secretariat, when equipped with enhanced resources, to be more dynamic in executing the new tasks and the responsibilities expected of it.

In this context, it is imperative that we exercise the right judgement in selecting a candidate for the post of ASEAN secretary-general for approval by our heads of government. His task, to put in place a new effective organization, is both enormous as well as of immediate priority.

Your Excellencies, to Rusli Noor who has served ASEAN so well in the last few years, I extend my sincere thanks. As general, as the secretary general, of the ASEAN secretariat he started an exciting and important development within ASEAN as well as in the international political and economic scene. So through all this, he and his staff have managed within the limitations of the existing setup to provide the support and logistics to the increasingly complex and varied ASEAN activities.

I'm sure you will be able to look back with satisfaction on a job well done. We look forward to his dedicated services as he finally vacates his post to the new ASEAN secretary general.

Your Excellencies, this year is the 25th anniversary of ASEAN. Our organization is now regarded as one of the most dynamic and successful regional organizations. Fully and collectively, we have contributed to the peace and stability of the region. We have also made important contributions on the issues affecting the global community, environment, an open multilateral trading system, equitable distribution of wealth, transfer of technology, and many more. Our views have mattered and we spoke with one voice. We need to maintain our unity and cohesion if we wish to continue to be relevant in the fast-changing and evolving world situation.

To the government of the Republic of the Philippines, I wish to say thank you for the excellent hospitality and arrangements made to ensure the success of our meeting.

Thank you.

Singapore Minister's Address

BK2107154892 Singapore Singapore Broadcasting Corporation in English 1400 GMT 21 Jul 92

[Text] The foreign affairs minister, Mr. Wong Kan Seng, has stressed the importance of taking a pragmatic and eclectic approach in regional security. He said regional security will require an overlapping complex of bilateral, regional, and international ties. Any other influence cannot be dropped without examination.

He made this point in his opening address at the 25th ASEAN ministerial meeting in Manila today. Mr. Wong said the aims should be to maintain and build on the closer and constructive [words indistinct] to preserve its current equilibriums, peace, and prosperity. This pragmatic approach had marked ASEAN's progress over the past 25 years. It was time the grouping [word indistinct] as it reacts to a changing world order.

Mr. Wong also said that to preserve optimal conditions with stability and growth, security arrangements ought to be reviewed and reassessed. He welcomed the attachment of Vietnam and Laos to the Treaty of Amity and Cooperation. He said this would be a start on building a more positive structure of relationship in Southeast Asia. Singapore also looks forward to a more extensive discussion on security matters at the post-ministerial conferences. He said ASEAN can build on this beginning to elaborate new security arrangements for the Asia-Pacific.

Declaration Urges Peaceful Spratlys Settlement

HK2207110092 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 22 Jul 92

[By Rey Arquiza]

[Text] ASEAN foreign ministers today have come out with a declaration urging countries expressing claims for the Spratlys not to use violence but to discuss the issue in a peaceful manner.

The declaration was made because the ASEAN believes that any adverse developments which may happen in the Spratly Islands will affect the stability of the Asian region.

Three countries belonging to ASEAN, who are also among the six Spratlys claimants, have signed the declaration. They are the Philippines, Vietnam, and Brunei. [sentence as heard]

However, the declaration was deemed not binding on the People's Republic of China since it was not included in the signing of the declaration and is not a member of the ASEAN.

The PRC's acceptance of an amicable settlement of the issue of jurisdiction and sovereignty for the Spratlys was made only through a verbal pronouncement and not through a signed formal agreement.

The ASEAN foreign ministers also requested the Spratlys claimants not to use force in order to maintain peace so as not to affect economic progress in the region.

The declaration also proposed that the countries claiming their share in the Spratlys should have an agreement for a joint exploitation of the Spratlys' natural resources.

The foreign ministers who signed the declaration were Prince Mohammed Bolkiah, Brunei Darusallam; Ali Alatas, Indonesia; Abdullah Ahmad Badawi, Malaysia; Raul Manglapus, Philippines; Wong Kan Seng, Singapore; and Asa Sarasin, Thailand.

Vietnamese Minister Quoted on Spratly Position

BK2207012792 Bangkok BANGKOK POST in English 22 Jul 92 pp 1, 3

[Excerpts] Manila—Disputes in the South China Sea preoccupied foreign ministers of the Association of Southeast Asian Nations [ASEAN] as they opened their 25th annual meeting here yesterday.

Foreign ministers of Indonesia, Malaysia, the Philippines and Singapore voiced concern over rival claims in the region in their opening statements.

Thailand and Brunei made no direct allusion but senior officials of all six ASEAN states have urged their ministers to endorse the principle of non-use of force in the settlement of disputes.

Six countries bordering the South China Sea claim all or part of the Spratly archipelago.

They include three ASEAN states—Brunei, Malaysia and the Philippines, which claim part. China, Vietnam and Taiwan each claim all the islands.

The current dispute is between China and Vietnam, whose foreign ministers are attending the ASEAN Ministerial Meeting as "guests" of the association.

The dispute stems from China's decision in May to give oil exploration rights to an American company in an area that Vietnam claims is part of its continental shelf.

China yesterday affirmed before ASEAN foreign ministers its wish to settle disputes in the South China Sea by means of peaceful negotiations, said Foreign Minister Asa Sarasin.

And in a separate bilateral meeting with Thailand, Chinese Foreign Minister Qian Qichen agree to continue cooperation through consultations with concerned parties to help break the impasse in the Cambodian peace process.

Mr Qian held a "consultative meeting" with the six ASEAN foreign ministers before holding bilateral talks with Mr Asa.

The "consultative meeting" comprised an exchange of views on regional and international issues, including Cambodia and the South China Sea, said Mr Asa.

Vietnamese Foreign Minister Nguyen Manh Cam, here to represent his country's accesison to ASEAN'S Treaty of Amity and Cooperation, has indicated a toughening of Hanoi's position on the Spratlys issue.

He indicated that Vietnam's sovereignty in this area was not negotiable and that Hanoi would not be open to cooperation with China for joint development of resources there.

Mr Cam told reporters shortly after his arrival on Monday that Vietnam had reached agreements with the Philippines, Malaysia and China to refrain from actions that would further complicate settlement by "peaceful negotiations" of disputes over the Spratlys arising from "different perceptions of sovereignty."

But these disputes are "different from the area where China and an American company have signed a contract. This area is the Vietnamese continental shelf. It is not situated in the Spratly archipelago," he claimed.

Asked if Vietnam would enter into joint development projects with China in this area as it has with Malaysia in another part of the South China Sea, he said Vietnam joins such activities where there is an "overlapping area" with another country. [passage omitted]

Vietnam's apparent hardening of its position on the South China Sea issue was seen in the context of its forthcoming accession to the Treaty of Amity and Cooperation, which is effectively a first step to membership in ASEAN.

Both Vietnam and Laos are to hand over instruments marking their accession to the treaty in a ceremony scheduled for today.

Russia Offers Military Aid to ASEAN

HK2207103592 Hong Kong AFP in English 0953 GMT 22 July 92

[Text] Manila, July 22 (AFP)—Russia said Wednesday it wants to retain air and naval access to Vietnam's strategic Cam Ranh base and offered to become a guarantor of southeast Asian stability, a role formerly ascribed to the United States.

"We are not necessarily rushing to leave" Cam Ranh, Foreign Minister Andrei Kozyrev, a special guest of the six-member Association of Southeast Asian Nations (ASEAN) foreign ministers' meeting, told journalists after talking with his counterparts from the group.

He said he conveyed the request to Vietnamese Foreign Minister Nguyen Man Cam, also a guest of the week-long ASEAN meetings, late Tuesday.

The disclosure came as U.S. troops were in the final stages of a pullout from the Philippines' Subic Naval Base after this former colony rejected a new 10-year base treaty. American troops however will remain in Japan and South Korea.

"We are prepared to develop cooperation in the military and military-technological area with the ASEAN states

with the aim of maintaining their security at the level of reasonable sufficiency," Kozyrev said in a speech before ASEAN ministers.

He did not elaborate.

ASEAN, grouping Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand had tacitly approved of the U.S. military presence in the Philippines as a stabilizing influence. Singapore has agreed to take in a logistics unit after it pulls out of Subic.

Kozyrev proposed the "transformation of those facilities (Cam Ranh and Subic) into logistic support centers for naval activities."

"What is important is to transform this arrangement into one that exudes the new strategy of stability and cooperation in this region," Kozyrev told reporters.

He said Russian forces would stay at Cam Ranh "if the Vietnamese agree and other countries in the region take it as a center of stability."

Kozyrev said an "intensive program of exchanges between representatives of military establishments" would help "create an atmosphere of greater openness in naval affairs."

"I think we have to transform all the structures built for confrontation into something that can be used for stability in a new situation," he said.

"I think we have a very good understanding (with ASEAN) that democratic Russia does not represent any kind of threat to the area but is involved in the warm, constructive engagement with the area both in security matters and economic development," he added.

The Russian official said ASEAN's efforts to resolve the six-nation Spratly dispute, involving China, Vietnam, Taiwan and three ASEAN members, "is a very good approach to other territorial disputes in (the) Asia-Pacific area."

"It is evident that they should be solved by political means. We are encouraged by the idea to start a joint economic development of disputed territories rather than to continue territorial claims," he added.

Russia and Japan have yet to resolve a longstanding dispute over the Kuril islands.

Kozyrev restated his country's intention to "get rid of overarmament from the confrontation era" and proposed "confidence building measures" in Asia, the Pacific, and Indian Ocean.

These would include, among others, limitations on the scale of naval exercises and the initiation of a multilateral dialogue on establishing a crisis management system in the region.

Malaysian Diplomat Named ASEAN Secretary General

HK2207070292 Hong Kong AFP in English 0608 GMT 22 Jul 92

[Text] Manila, July 22 (AFP)—A veteran diplomat from Malaysia, Ajit Singh, has been selected as secretary-general of the Association of Southeast Asian Nations (ASEAN), officials said here Wednesday.

Singh, 53, will occupy a revamped and strengthened post with ministerial rank. He will be responsible for the day-to-day affairs of ASEAN, regarded as one of the most effective regional organizations in the developing world.

The new ASEAN chief executive has served as Malaysia's ambassador to Vietnam, Austria, Brazil, Bolivia, Peru, Colombia and Venezuela, and as permanent representative to the United Nations.

Japan

Chip Share Issue 'Would Not Result' in Friction

OW2107133792 Tokyo KYODO in English 1126 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—Japan's failure to achieve a targeted 20 percent foreign share of the country's semiconductor market this year would not result in renewed friction with the United States, a top electronic industry official said Tuesday.

Takashi Kitaoka, newly appointed chairman of the Electronic Industries Association of Japan (EIAJ), told a press conference that chip demand is so brisk in the U.S. market due to a recovering economy that makers there are operating at full capacity.

"Even if we fail to achieve the 20 percent target, it would cause little ruckus as long as the foreign share does not fall sharply from the current levels," he said.

Foreign chips accounted for 14.6 percent of the Japanese market under the U.S. method of calculation and 16.6 percent under the Japanese method in the first quarter this year.

Both figures are far short of a 20 percent target specified in a new Japan-U.S. chip accord in effect since last summer.

Kitaoka said domestic demand for chips remains sluggish.

"Chip orders, after recovering in June, dropped again recently. Demand from consumer electronics and personal computer manufacturers is weak, though industrial demand is steady," he said.

Kitaoka, president of Mitsubishi Electric Corp., replaced Moriya Shiki, Mitsubishi Electric chairman, as the association chief.

China Admits Firing Shots at Japanese Ship

OW2107065692 Tokyo KYODO in English 0630 GMT 21 Jul 92

[Text] Naha, July 21 KYODO—China has admitted that one of its ships fired warning shots last December at a Japanese ship in the East China Sea off the Senkaku Islands claimed by the two countries, diplomatic sources said Tuesday.

Following the Foreign Ministry's demand for China's investigation of the incident, the Chinese Government told the Foreign Ministry that a Chinese ship had mistakenly fired shots at a Japanese ship, the sources said.

An unidentified ship flying a Chinese flag fired warning shots toward the 42,407-ton Henry Hudson Bridge some 220 kilometers north of the Senkaku Islands on December 6.

The Japanese ship, operated by Kawasaki Kisen Kaisha Ltd. with 11 crew members aboard, was heading for Kaohsiung, Taiwan, from Pusan, South Korea.

This was the first official acknowledgement by Chinese authorities of Japanese claims of series of incidents in which Chinese vessels have fired on Japanese vessels.

According to the Maritime Safety Agency, there have been 16 cases of inspection and firing of warning shots at Japanese cargo and fishing ships off the islands since March 1991.

China, however, has denied all other cases, saying it cannot identify any of its ships allegedly involved in shootings or inspections of Japanese vessels.

Japan, China and Taiwan all claim sovereignty over the Senkaku Islands, called the Diaoyutai Islands by China. The territorial dispute has been a sore spot in relations between Japan and China.

Slow Money Growth Not Harming Economy

OW2207104692 Tokyo KYODO in English 0821 GMT 22 Jul 92

[Text] Tokyo, July 22 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Wednesday that the crawling money supply growth is not putting a drag on the economy, and predicted a gradual recovery not far down the road.

Mieno said at a press conference that Japanese financial institutions are more cautious now toward lending than in the easy money period in the past because they are more sensitive to credit risks.

But, the central banker said, the financial institutions are quite eager to meet sound demands for capital.

"They are by no means overly tightfisted in lending," he said.

Mieno said money supply growth is slowing because the demand for capital is weak due to the sluggish business needs and limited asset transactions.

The slow growth of the money stock "is not serving as a restrictive factor for the recovery," he said.

The BOJ recently reported that Japan's broad money supply—M2 (cash in circulation, and time and demand deposits) plus certificates of deposit—grew at a historically slow rate of 0.9 percent in June from a year earlier.

Mieno added at the Wednesday press conference that while the small money supply growth has not so far cast a pall on the recovery, he will nevertheless monitor carefully the lending stances of financial institutions.

On current economic conditions, Mieno reiterated that the economy is still in a harsh "adjustment phase" with corporate capital investments weak and consumer spending slowing.

The softening final demand is delaying the inventory adjustment, which he has been terming the key to an upturn, he said.

Mieno, however, pointed out there are some bright signs in the economy, like the recovering housing sector and brisk public works spending, which are propping up the economy.

The economy is unlikely to continue sliding further, and will make a recovery, albeit a gradual one, in coming months, he said.

"We will keep watching the cumulative effects of the monetary easing (in the past year) without any prejudgment," he said.

Mieno also brushed aside the argument that monetary policy coordination among the Group of Seven (G-7) major industrial countries has broken down as Germany raised its discount rate shortly after the U.S. lowered its own.

Mieno, who recently attended a monthly meeting of the Bank for International Settlements (BIS), said the central bank governors of major countries appeared to view Germany's credit-tightening as something that should be accepted.

The Bundesbank raised the discount rate by 0.75 percentage point to 8.75 percent last week.

"Policy coordination doesn't mean that the (G-7) countries move in the same (monetary) direction," he said. "It rather means cooperation among the countries to achieve the medium-to-long term goal of noninflationary sustainable growth."

"Germany's interest rate hike doesn't mean a breakdown in cooperation," he said.

The fact that Germany kept the lombard rate, the interest rate at which the Bundesbank normally [words indistinct] commercial bank system, unchanged shows Germany's consideration of other European countries, which are directly affected by German monetary policy through the European monetary system, Mieno said.

BOJ Discount Rate Cut Urged To Rescue Banks

OW2107135592 Tokyo KYODO in English 1315 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—Takeshi Nagano, a top business figure, urged another official discount rate cut by the Bank of Japan (BOJ) to rescue troubled banks and thus ensure a stable financial market.

Nagano, president of the Japan Federation of Employers' Associations (Nikkeiren), told a press conference that credit easing would help financial institutions loaded with massive non-performing loans created by the collapse of the "bubble" economy.

"If financial institutions go under and destabilize the market, neither extra public works spending nor tax cuts would help the economy.... Another rate cut is inevitable sooner or later," he said.

Nagano, however, said the next cut should be the last one for the time being and not necessarily immediate, but carefully timed.

The country's business moguls are far from agreement about a much-talked about cut in the key lending rate, which stands at 3.75 percent after a .75 percentage point reduction on April 1.

Gaishi Hiraiwa, chairman of the blue-ribbon Business Lobby Federation of Economic Organizations (Keidanren), has repeatedly expressed his opposition to further credit relaxation, while Masaru Hayami, chief of the Japan Association of Corporate Executives, has called for lower rates.

Even financial institutions are unusually understanding about the BOJ's reluctance to loosen its credit grip, with Tsuneo Wakai, head of the Bankers' Association, saying earlier in the day that the economy needs continued monitoring before any rate cut.

More Low-Interest Housing Loans Recommended

OW2107063292 Tokyo KYODO in English 0527 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—The government-backed Housing Loan Corp. may provide more low-interest loans in fiscal 1993 in connection with a proposal to make it easier for the people to buy a home, Construction Minister Taku Yamasaki said Tuesday.

The Economic Council recently recommended measures to reduce the cost of a home to about five times the average wage earner's annual income.

Yamasaki told reporters that the government will seek budgetary appropriations in fiscal 1993, starting next April 1, for low-interest loans by Housing Loan Corp. and incentives for first-time home buyers.

Specifically, he mentioned a reduction in the interest rate on loans for purchases of used homes and a doubling of the amount of the extra loan for first-time home buyers, currently 2 million yen.

Long-Term Prime Rate To Remain at 6.1 Percent

OW2007123592 Tokyo KYODO in English 1211 GMT 20 Jul 92

[Text] Tokyo, July 20 KYODO—Japan's three long-term credit banks are expected to keep their long-term prime rate in August unchanged from this month at 6.1 percent per annum, a banking industry sources said Monday.

The Industrial Bank of Japan (IBJ), Nippon Credit Bank, and the Long-Term Credit Bank of Japan (LTCB) are apparently moving against changing the rate because the

coupon rate on the five-year, interest-bearing debenture to be issued in August will level off from July at 5.2 percent. A formal decision is expected to be made during this week, according to the source.

The long-term prime rate, or the interest rate banks charge to their most creditworthy customers, is usually set 0.9 percentage point above the coupon rate on the bank debenture. The three banks lowered the long-term prime rate by 0.2 percentage point from 6.3 percent in early July.

As the yield on the five-year, interest-bearing debenture issued by IBJ was 5.10 percent and Nippon Credit Bank's 5.20 percent on Monday, such long-term banks are not expected to change the issue conditions for the debenture in August, the source said. The debenture issued by Nippon Credit Bank was generally unpopular among investors in July as the bank was believed less creditworthy than IBJ and LTCB because of bad loans owed by its nonbanking affiliates. The market yield on the debenture issued by Nipppon Credit Bank was at one time 0.4 percentage point higher than the debenture issued by IBJ.

When a gap between market yield and coupon rate spreads more than 0.2 percentage point, issuance conditions are generally changed for the new issue. In this respect, only Nippon Credit Bank among the three banks has been seen to raise its coupon rate on the five-year, interest-bearing debenture in August because of its yield gap. However, as the gap is shrinking, the bank also does not have to change issuance conditions for the new debenture, the source said.

Banks To Issue Permanent Subordinated Bonds

OW2107141392 Tokyo KYODO in English 1347 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—The Ministry of Finance (MOF) will allow Japanese banks to issue subordinated debentures without a fixed date for redemption to ensure they can meet international capital adequacy requirements, MOF sources said Tuesday.

Sakura Bank will be the first to issue the bonds, raising 800 million dollars in the Eurodollar market in August, the sources said.

The move is aimed at helping Japanese banks clear the capital adequacy standards set by the Bank for International Settlements (BIS), they said.

Falling stock prices are dragging down the value of the assets held by Japanese banks, making it increasingly difficult for them to meet the BIS criterion.

The BIS requires banks operating internationally to have capital (equity and long-term debt) equal to 8 percent of risk-adjusted assets by the end of March 1993, or by the end of 1992 for U.S. and European banks.

Subordinated, in financial terms, means junior to other debt in any claim on the assets, that is, repayable only after other debts with a superior claim have been satisfied

Permanent subordinated debentures have no fixed date for redemption.

Sakura is expected to issue through an overseas subsidiary 800 million dollars in permanent debentures in two installments of 400 million dollars each, in early and late August.

The bank's capital-to-asset ratio, 7.92 percent at the end of March, 1992, is the lowest of 11 major Japanese commercial banks, known as city banks. The ratio is above 8 percent for all the other city banks.

Some other city banks also are considering issuing permanent subordinated debentures.

The BIS classifies bank assets into two categories—basic assets like capital and published reserves, and supplementary assets like 45 percent of hidden stock profits, loan loss reserves and subordinated bonds.

Permanent subordinated debentures can be counted as assets up to the total of the basic assets, while subordinated debentures with a fixed date of redemption can be counted as assets equal to only half of the basic assets.

Small Firms To Receive Government Financial Aid

OW2207070592 Tokyo KYODO in English 0611 GMT 22 Jul 92

[Text] Sendai, July 22 KYODO—The government plans to give financial aid, tax breaks, and subsidies to small companies as part of measures to stimulate the economy, International Trade and Industry Minister Kozo Watanabe said Wednesday.

Watanabe, making the disclosure to reporters while in Sendai on an election campaign tour, said the assistance will be given in conjunction with industry promotion projects offered by local chambers of commerce and industry.

A plan under consideration would create a special fund and then use interest income from the fund to publicize local products in markets both in Japan and overseas, Watanabe said.

New Securities Industry Watchdog Inaugurated

OW2007025992 Tokyo KYODO in English 0146 GMT 20 Jul 92

[Text] Tokyo, July 20 KYODO—A new watchdog for the securities industry was inaugurated Monday in a bid to prevent a recurrence of the stock scandals that rocked Japan in 1991.

An inaugural ceremony for the Securities and Exchange Surveillance Commission was held at an annex of the Finance Ministry in Tokyo, where the new body is headquartered.

The body is empowered to make inspections of securities companies and investigate suspected violations of fair trade rules such as the paying of compensation for investment losses to selected customers and insider trading.

The commission is headed by Toshihiro Mizuhara, former chief of the Nagoya High Prosecutors' office.

It has 202 staff members nationwide, including officials from the Finance Ministry, the National Tax Administration Agency, prosecutors' offices, courts, the National Police Agency, and the Fair Trade Commission.

The newly created commission is modeled on the Securities and Exchange Commission of the United States but critics say the body will have less autonomy than its American counterpart.

Chief Vows To Wage 'Tough Campaign'

OW2007101992 Tokyo KYODO in English 0956 GMT 20 Jul 92

[Text] Tokyo, July 20 KYODO—The head of Japan's new securities watchdog body vowed Monday to wage a tough campaign against stock market irregularities but warned that restoring the market's credibility must be a collective effort.

"We will be hunting for any injustice perpetrated in the securities market with a stern and uncompromising attitude," Toshihiro Mizuhara, chairman of the new Securities and Exchange Surveillance Commission, said in a press interview after an inauguration ceremony.

The body was established to augment enforcement of regulations in the domestic securities market, which was hit last year by a series of stock scandals involving leading brokerages.

Mizuhara, a former chief prosecutor in the Nagoya District, said the new commission is made up of a powerful team of seasoned bureaucrats and law enforcement officials who will not be reined in by the Ministry of Finance (MOF).

Critics claim the organization has no real power since it is partly staffed by people from the MOF, which has been blamed for lax administration of the securities industry.

Mizuhara, however, said MOF personnel on the commission are determined to carry out their role as tough regulators.

"Please don't make any prejudgment," Mizuhara said, adding that the commission cannot single-handedly make the market fair and transparent.

Everyone concerned should cooperate in cleansing the market of scandal and making it more sound, he said.

"General investors won't return to the market until they are convinced it is fair and transparent," he said.

He said the organization will probably start probing securities companies in about one month.

Mizuhara also suggested that information revealed through a criminal investigation might be published immediately after the case is closed, while information about routine inspections will be published in annual reports.

Morita Views Change in Business Management

OW2107122492 Naha RYUKYU SHIMPO in Japanese 19 Jul 92 Morning Edition p8

[Dialogue between Akio Morita, chairman of Sony Corporation, and Tetsuro Nishizaki, free-lance economic commentator, entitled "Let's Change Japanese-Style Business Management"; first paragraph is introduction]

[Text] Earlier this year Sony Corporation Chairman Akio Morita warned in a monthly magazine that Japanese-style management is facing a crisis. His warning created a sensation both at home and abroad because Japanese companies are facing a situation where economic friction is still unsettled amid the recession which followed the collapse of the bubble economy; thus they are forced to review a basic policy of their management system. What part of Japanese-style management, which seemed to have enjoyed prosperity, should be reformed? And how? Thus we asked Mr. Morita to comment again on this issue. Through a dialogue held with Mr. Tetsuro Nishizaki, a commentator on economic issues, Mr. Morita freely stated his views. The following is a summary of the dialogue between Mr. Morita and Mr. Nishizaki.

[Nishizaki] Ever since the issue of Japanese-style management was discussed a few years ago, Japanese-style management has been regarded as different from that of other nations. At the beginning of this year you warned that Japanese-style management is facing a crisis. What lies behind your warning?

[Morita] I don't think it is a healthy situation where only Japan enjoys a trade surplus and expands on it. Some may say Japan should expand its domestic demands while reducing exports. However, since Japan has no resources and energy, it would be impossible for Japan to survive without obtaining foreign currency. On the other hand, since Japan's customers are mostly western nations, it will be impossible to maintain trade with them unless thir dissatisfaction is eased.

Even in the field of sports it is considered unfair if the rules are varied. Therefore I want to harmonize the rules, and I think it is unavoidable that Japan brings itself into line with western nations. This is my basic view.

Not Grasshoppers But Worker Bees

[Nishizaki] You mean it is no longer allowable for a grasshopper to rush into a foreign nation to eat away the crops there. Although it may be an extreme example to express a Japanese company's inroads into foreign markets, I think this is the major point you want to say, isn't it?

[Morita] I think the grasshopper's eating away of a foreign nation's crops can be regarded as Japan's intensive export of its products to foreign nations. We are corporations under a free trade system. We have never forced our customers to buy our products, and we cannot. I am very displeased when I hear the word "intensive export." The fact is, the demand for a particular product has increased within a certain country or region by accident, and only Japan was there to meet that demand. In meeting that demand, Japanese companies eventually made inroads into foreign nations or regions. I want to stress that this should be regarded as intensive import by foreign nations.

However, we are sometimes regarded as low-wage workers, worker bees, workaholics, and people living in anthills. If foreign nations think the Japanese management system fails to respect human rights, then I think we need to change our management system.

Fair Trade System Should Be Established Among G-7

I want to add that trade should be kept in harmony, at least among the Group of Seven industrialized nations (G-7) because they debate surpluses or deficits in trade among the G-7 nations or the OECD [Organization for Economic Cooperation and Development]. I may be blamed if I use the name Iacocca (chairman of Chrysler) as an example. But in his case, despite the fact that he draws a high salary—which leads to an increase in his company's maintenance cost and eventually weakens his company's competitive power—he says Japan is unfair. This is not desirable.

Regarding working hours, even Americans work 1900 hours a year. Therefore the G-7 nations should reduce their workers' hours to around 1600 like the Europeans. I am willing to discuss whether we should reduce our working hours to the lowest number.

Through these efforts, we will be able to engage in trade under fair competition. Cost is not a factor in the competitive power of industrial products; what is important is whether or not a product is attractive. In the case of cars, although Japanese-made cars are expensive, they are in demand because they are attractive. What creates attractiveness in a product is wisdom, not low wages or hard work.

It Is Not Easy To Increase Profit

[Nishizaki] There are preconditions for a company before adopting regulations. The company should have policies regarding rewards for its employees, profit distribution to stock holders, and strengthening of its competitive power while contributing to the society and fulfilling its obligation. When compared with companies in the United States and Europe, Japanese companies are failing to meet these requirements. As a result of diversified small-quantity production, the break-even point became higher during the long prosperity in the last half of 1980's when profit ratios should have been increased. It is apparent the Japanese work longer hours while stockholders get less dividends.

Mr. Morita, you mentioned the need for reviewing wage levels, shortening working hours, increasing dividends, and expanding a company's contribution to society. I think these can serve as factors to reduce profits. However, a company is required to increase its profits. I don't think it will be easy.

[Morita] Since Japanese firms have competed with each other in a similar business manner, I don't think it is easy for only one company to increase its profits. However, most companies are planning to reduce their employees's working hours from over 2000 down to 1800. I feel if all companies take similar action, they can compete with each other under the same conditions. Moreover, if the economy should recover, companies will start increasing their dividends.

For ten years I have been stressing that a company be allowed to hold its own stocks. However, it is still banned. In the United States a company can buy its own stocks if the company can afford to. U.S. companies invest in their own stocks because theirs are safe to buy. In Japan, companies cannot buy their own stocks; they buy other company's stocks when they can afford to. However, since they hold other companies' stocks, they become upset when these stocks plunge; then they call on securities companies to compensate for the losses. This practice eventually led to the recent issue concerning securities companies' compensation. Japan is the only nation to limit the issuance of company bonds.

[Nishizaki] Recently the securities market has been in a slump. Although it is said the slump has been caused by a depression in the business psyche and the collapse of the bubble economy, I believe it represents future indications that Japanese enterprises will face a changed profit structure in which they earn less profit, and thus the power of Japanese enterprise to earn profit will wane structurally. Besides this, dividends to share holders have fallen sharply. If the government takes short-sighted measures to spur the securities market instead of taking fundamental measures, those measures will perhaps do little to stimulate the securities market.

[Morita] The question is the system, and I believe creating a climate for improving the system is the role of government. Regulations, laws, and politics have their own limits. Therefore it is necessary to firmly harmonize the business climate in Japan. The governments of concerned European nations have been committed to the integration of the European Community, and I hope the Japanese Government will make such a commitment to Japanese business.

Criterion for Assessment Needed To Be Changed

[Nishizaki] I would like to turn our subject to the starting point of the Japanese-style business management. While Japanese enterprises must increase their social spending, they need to increase their profits. A change in the

expansion of the market share and competition through low prices means a rise in prices, does it not? Will it be possible for Japanese enterprises to sell their goods at the proper price?

[Morita] I believe it will be possible. You just said at the proper price. I have something to ask the media which will make it possible for Japanese enterprises to sell their goods at the proper price. I would like to ask the media to change their criterion for assessing the business performance of Japanese enterprises. So far the media has hailed high sales, ranking Japanese enterprises based on their market share at home and abroad. In the United States, corporations are rated only on quarterly profits, and this has led U.S. corporations to pursue short-sighted business strategies.

The Sales Department of my company told me we need to sell more goods to increase our market share. Our company sold air-conditioners that had been manufactured by a company with which our company had business ties, but our company later stopped selling the air-conditioners after finding sales to be inappropriate. According to our retailers, if they do not sell air-conditioners while other retailers sell them during the summer season, their market share will fall. Therefore Japanese companies are eager to sell more goods to increase their market shares. As a result, my company and other household electric appliance manufacturers compete with each other to sell more goods for more market share.

Employees Urged To Find Optimum Jobs on Their Own

[Nishizaki] Employees should be creative in order to make their companies unique, and the performance of creative employees must be rewarded in a proper way. Although in this respect Japanese companies have changed little by little, they still stick to the conventional system under which promotions are made on the basis of seniority, and they fail to rate the performance of their employees in a proper manner. The employees are greatly discontent with this system, which they believe impedes their creativity. Japanese companies react against extraordinary moves. How should these be addressed in the future?

[Morita] For a long time my company issued a circular which carries recruitment announcements. If any department in my company wants new recruits, it can announce so in the circular. In the past, an employee who was originally hired by my company as a guard used the circular to switch jobs and become a copywriter; since then he has become a talented copywriter. Employees should not complain about their jobs once they take them.

In the past I regarded the principle of the right man for the right post as a maxim for my business management, but later found that only God can practice that principle. In sum, employees should find their optimum jobs on their own. My principle, therefore, is that each employee must be given an opportunity to find out his or her optimum job.

Useless Time in Companies

[Nishizaki] I fully agree with what you just said. Some argue that people can feel "affluent and comfortable" only when they work shorter hours without being asked to put in overtime, and when they have longer leave as well as more hours at home. They also argue that no matter how hard people work in the workplace, this does not make people feel affluent and comfortable, and they actually feel affluent and comfortable only when they have their time for themselves.

I think their argument is fundamentally wrong. People spend half their lifetime and living time in their workplace or company. If they argue the time they spend in their workplace or company is useless, there is nothing more unfortunate than that.

[Morita] If some people do not want to work in their workplace or company, I urge them to quit and look for other employment. Leading an unrepentant life is their responsibility. I have consistently told my employees that if they want to quit, please do so, and if you do not quit you will suffer the loss. I have also told them that if they are enthused to work for my company, please enjoy their jobs.

[Nishizaki] In that sense, Japanese-style business management is at a turning point, and Japanese white-collar workers should change themselves. They should adopt a spirit of challenge, and if their challenge is not recognized they should protest and quit. If they do not work with this spirit of challenge, they can do nothing.

[Morita] What is needed most in Japan today is for people to think of the importance of self-responsibility. If some incident occurs in Japan, the Japanese blame it on the government and laws. In this way, they are prone to blame others. In the United States, if a bank goes bankrupt the depositors, not the bank, are blamed. Americans say it is a matter of course for banks defeated by the competition to go bankrupt because they believe in the importance of self-responsibility. Hence, whether or not someone has enthusiasm to work belongs to his or her own sense of self-responsibility.

[Nishizaki] It has been indicated that both Japanese business executives and employees should change their thinking. In the United States and Europe, however, there are various problems. Corporations there are criticized as pursuing short-sighted business strategies, and salaries of business executives are higher than those of employees. They should address those problems. If Japanese enterprises are respected by other nations, this would lead the international community to respect Japan. Japanese enterprises should aim for this long and broad prospective.

[Morita] Under the situation where only Japan is disliked by the world, it cannot live in the world. Japan should change itself to change such a situation.

Seminar Focuses on Japanese-Style Management

OW1707104292 Tokyo KYODO in English 0950 GMT 17 Jul 92

[Text] Tokyo, July 17 KYODO—Japanese business and labor leaders ended a four-day seminar Friday at a Nagano Prefecture resort after discussions centering on Japanese-style management, seminar organizers said.

Officials of the Japan Productivity Center said the seminar they held at Karuizawa showed that calls are mounting for a review of Japanese-style management amid the global economic slowdown after the end of the cold war era.

The center's chairman, Masao Kamei, told the seminar Japan should not seek higher productivity at the expense of other countries' shares in world markets.

Keizo Yamaji, president of Canon Inc., criticized Japanese companies' moves to set up production facilities overseas to alleviate trade friction with foreign countries.

Teruhito Tokumoto, chairman of the Confederation of Japan Automobile Workers Unions, urged Japanese companies to stop depending on interlocking business ties for much of their business.

But Toshiaki Yamaguchi, chairman of the chemical manufacturer Tosoh Corp., disagreed, saying he had no objections to such relationships.

Indian Engineer Sues Company for Discrimination

OW2107134392 Tokyo KYODO in English 1225 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—A 34-year-old Indian engineer employed by Mitsubishi Electric Corp. filed a 6 million yen lawsuit Tuesday claiming that his employer discriminated against him.

According to the suit filed in the Tokyo District Court, Kamal Sinha says he joined the company in September 1989 and engaged in developing data base systems after serving as an assistant professor at Tennessee University in the United States.

Sinha, who did not have any knowledge of Japanese at the time, requested that Mitsubishi allow him to study the language at company expense, since Japanese employees are provided with free English language courses.

He also insisted that company employees from the U.S. and Europe also are given chances to learn Japanese free of charge.

Mitsubishi Electric did not meet his demand, however, and one year after he joined the company he was removed from his post because of his poor Japanese.

Sinha said in his lawsuit that his boss urged him to quit the company and deprived him of chances to attend staff meetings.

At a news conference, Sinha said, "I heard that Japanese companies are more humane than those of Europe or the U.S. but, actually, I was discriminated against and harassed by my boss."

A Mitsubishi spokesman said that a language barrier may have brought about misunderstanding on the matter. He said the company refrains from making any comment on the issue until after facts can be confirmed.

Firms To Hire Fewer Male College Graduates

OW2007094692 Tokyo KYODO in English 0850 GMT 20 Jul 92

[Text] Tokyo, July 20 KYODO—Major Japanese companies expect to hire fewer new male university and college graduates next spring, marking the first year-to-year decrease in 10 years, a private research organization said in a report released Monday.

Recruit Research Co. said its report was based on a survey of 2,105 companies listed on major stock exchanges. The survey showed all the companies plan to hire 104,000 new male graduates from universities, colleges and postgraduate schools next spring. An estimated 273,000 new graduates will seek employment.

Employment planned by manufacturers next spring is expected to drop 5.3 percent from this year, while the figure for nonmanufacturers will shrink 4.7 percent, the company said. The employment picture for female graduates is also gloomier, with 23.7 percent fewer expected to be hired than this year, it said.

Recruit said 20 out of 29 businesses surveyed said they will cut back on new employment next year. The ratio of college graduates being hired by listed companies to the total number of graduates will be 38.1 percent, falling below 40 percent for the first time since 1990, the company said. As for female graduates, the number of those to be employed next spring will amount to 20,096, down 23.7 percent from this year's 26,355, it said.

New Guidelines on Agricultural Chemicals Issued

OW2007105792 Tokyo KYODO in English 1028 GMT 20 Jul 92

[Text] Tokyo, July 20 KYODO—The Health and Welfare Ministry widened the scope of standards covering agricultural chemical residues Monday with new guidelines applying to 16 chemicals in 130 product categories, ministry officials said.

The government will shortly convey the new standards to foreign embassies in Japan and put them into effect as early as the autumn, the officials said.

The change will bring to 89—including 12 postharvest chemicals—the number of agricultural chemicals for which standards have been set.

The ministry's Food Sanitation Investigation Council drew up the standards after screening the chemicals between January and July.

The standards cover seven insecticides, one of which is used with potatoes and tomatoes, five germicides including one postharvest chemical used on citrus fruit, and four herbicides, the ministry officials said.

Among the newly designated substances, the standard set by the World Health Organization and the United Nations Food and Agriculture Organization for the postharvest chemical dichlorvos is five parts per million (ppm) for cocoa beans and two ppm for grain foods like rice and wheat.

The council's guidelines would restrict the chemical to .5 ppm for cocoa and 0.2 ppm for rice and wheat, the officials said.

But the council eased restrictions on the pesticide fluvalinate from 0.5 ppm to 1 ppm, arguing that the new standard poses no problems because it does not exceed the allowable daily intake, they said.

CO_2 Emission Target Seen as Unrealistic

OW2107135492 Tokyo KYODO in English 1326 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—Japan could fail to attain its goal of limiting carbon dioxide [CO_2] emissions by the fiscal year 2000 to the levels of fiscal 1990 if energy consumption grows at the current pace, the Agency of Natural Resources and Energy said in an estimate released Tuesday.

The estimate was presented to a meeting Tuesday afternoon of a subcommittee set up by three advisory panels to the trade minister to work out measures to protect the global environment, Ministry of International Trade and Industry [MITI] officials said.

Given the recent rapid increase in energy consumption and the government's projection of 3.5 percent economic growth, Japan's final energy consumption in fiscal 2000 is expected to amount to 421 million kiloliters of crude oil, more than the 391-million-kiloliter target, according to the report.

This being so, carbon dioxide emissions per person in fiscal 2000 are estimated to rise about 15 percent from the 1990 levels.

To limit carbon dioxide emissions at the end of the century to 1990 levels while maintaining energy consumption growth at the current rate, it would be necessary to construct another 35 nuclear power stations with a capacity of 1.35 million kilowatts each, which will cost some 15 trillion yen, the estimate said.

Alternatively it would be necessary to plant trees in about 9.3 percent of Japan's total land area, more than the Kanto region, to absorb additional carbon dioxide emissions, it showed.

The agency said neither of these measures would be realistic.

The subcommittee, under the Industrial Structure Council, the Advisory Committee for Energy, and the Industrial Technology Council, plans to make some proposals to the panels by this fall after five more rounds of intensive discussion on environmental issues, the MITI officials said.

Among items to be discussed are the relationship between economic growth and conservation of energy and the environment, the effect and impact of energy-saving investment and alternative energy supply, and specific measures to pursue an environmentally harmonized economic society, they said.

The 15-member subcommittee, headed by Tokyo University Professor Yoichi Kaya, will also discuss development of relevant technology and international contributions, they said.

Kaya said that to preserve the environment and energy while attaining the government's projection of 3.5 percent economic growth could be a dilemma.

Not only technological development but changes in people's attitudes toward their lifestyles and toward saving energy would be essential, he said.

Tokyo, Australia To Simplify VAN Services

OW2107135692 Tokyo KYODO in English 1311 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—Japan and Australia agreed Tuesday to simplify the inauguration of value added network (VAN) services between the two nations, Posts and Telecommunications Ministry officials said.

The agreement came in the second regular meeting of telecommunications officials from the two nations.

The agreement will ease procedures for inaugurating VAN services, which have so far required permission from each government involved.

At the meeting in Tokyo, the two countries confirmed they would boost personnel exchanges and cooperation in the telecommunications field among the members of an International Telecommunications Association in the Pacific, the officials said.

Asian Nations To Receive Help With City Planning

OW2207104192 Tokyo KYODO in English 0817 GMT 22 Jul 92

[Text] Tokyo, July 22 KYODO—Japan will help with city planning for major cities in Asia's developing

nations suffering from environmental damage, Construction Ministry officials said Wednesday.

The ministry will present the Asian nations with city planning strategies and help them create an efficient social infrastructure, the officials said.

After choosing one Asian city next year to help, Japan will compile an overall strategy with that city in three years.

Under the overall strategy, the ministry will first designate commercial, industrial and residential areas by using city planning methods and then make plans for constructing roads and sewage systems, the officials said.

Japan also will estimate the cost of projects so the developing countries have a reference for raising funds to pay for them and also will suggest how the cities can carry out the plans, they said.

The ministry until now has given assistance to developing countries on individual projects.

Those projects, however, often did not get the expected results because the developing nations did not have any city planning laws, the officials said.

For example, one project to create drains in residential areas to improve the water quality of a river did not work because there was no law to regulate the locations of factories upstream and waste water flowed into the river, they said.

Japan will introduce the plans it drafts for the Asian nations in seminars, the officials said.

The Construction Ministry officials said the next few years will be the last chance to carry out environmental measures in Asia's developing nations because the population of major cities in the region is expected to grow over the next 10 years.

The ministry hopes to make an international contribution by making use of Japan's experience in overcoming pollution problems during its rapid growth period, they said.

Panel Proposes Moving Key Capital Functions

OW2107034292 Tokyo KYODO in English 0305 GMT 21 Jul 92

[Text] Tokyo, July 21 KYODO—The government should consider transferring functions centering on its administrative, legislative, and judicial branches out of the capital, an advisory panel said Tuesday in a report.

Gaishi Hiraiwa, chairman of the academic conference, submitted a recommendation report to Prime Minister Kiichi Miyazawa at the prime minister's official residence Tuesday morning.

Noting the need to separate the political and administrative functions of Tokyo from the economic functions, the report suggested the government target the three branches of government, as well as foreign embassies, as possible candidates to be relocated outside the capital.

It also recommends Tokyo be transformed into a world economic, financial, and cultural center.

The government is expected to build a national consensus by establishing a consultative body for comprehensive and technical deliberation on specific measures to transfer such functions outside the capital, the report says.

The report urges the government to launch an investigation in tune with a final report presented by the council on problems of capital function relocation to Yoshiyuki Toya, director general of the National Land Agency in late June.

Saying relocation of key government functions outside the capital would provide a good opportunity to push for administrative reform, the report seeks the relocation of appropriate administrative functions based on discussions of the Ad Hoc Commission on Administrative Reform, a blue-ribbon advisory body which is currently debating deregulation and power transfers.

The report calls for promotion of an ongoing government project to relocate the prime minister's official residence and some national administrative bodies, along with other key government body transfers.

It also proposes the government urgently enact a law entitled the "Basic Law on Capital Relocation."

The six-member academic panel, inaugurated in December 1990 after both houses of the Diet adopted a resolution to relocate the legislative body, has held 13 meetings to exchange views on the issue.

The body, headed by Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), includes members such as Shin Kanemaru, vice president of the ruling Liberal Democratic Party, and Akira Yamagishi, chairman of the Japanese Trade Union Confederation (Rengo).

The government will decide on how to deal with the issue while closely watching Diet deliberations on enactment of the basic law on relocating key functions outside the capital, government officials said.

North Korea

Nuclear Control Commission 7th Meeting Detailed

SK2107131992 Pyongyang Korean Central Broadcasting Network in Korean 1215 GMT 21 Jul 92

[Text] The seventh meeting of the North-South Joint Nuclear Control Commission [JNCC] was held today in Tongilgak in our side's area of Panmunjom.

At the end of the meeting, our chairman gave a news briefing to reporters.

He said that our side stressed in a statement at the meeting that the second International Atomic Energy

Agency [IAEA] nonregular inspection of our nuclear facilities and nuclear materials was successfully conducted 7-20 July and thus reconfirmed that we are using nuclear energy only for peaceful purposes.

We pointed out that as the United States recently announced that it had withdrawn nuclear weapons from South Korea, the South should allow this to be verified without hesitation and should urgently take practical steps so that an objective body [kaekkwan] can be fully convinced that U.S. nuclear weapons do not exist there.

Our side's chairman stressed that the draft of nuclear inspection regulations we presented at the sixth meeting as an amendment is just, fair, and reasonable. If the announcement of withdrawal of U.S. nuclear weapons from South Korea is true, the South should not adhere to its unreasonable assertions and should respond affirmatively to our sincere and earnest efforts for prompt implementation of the joint declaration and for realization of denuclearization.

After delaying for four months, today the South side presented an extremely nominal draft of the agreement on implementation of the joint denuclearization declaration and brought a so-called revised draft of nuclear inspection regulations.

Our side's chairman responded that the South side's presentation of a revised draft agreement, which it delayed for four months, is fortunate, although it is late. However, he pointed out that since the South side has failed to bring a draft agreement until now, it cannot avoid responsibility for having made the JNCC meetings go round and round and go nowhere for a long time and for having delayed the nuclear inspection.

He said: The South side announced a so-called a declaration on nuclear nonexistence last December, but the United States finally issued a statement on 2 July—seven months later—that it withdrew nuclear weapons from South Korea.

He demanded that the South reveal whose remarks are true and clearly explain how the South side, which neither controls nor is the relevant party to nuclear weapons, could announce seven months earlier that there were no U.S. nuclear weapons in South Korea. He also demanded that the South side say when and how many nuclear weapons were withdrawn from South Korea.

The South side evaded answering this. Faced with our repeated hard pressure, it said that it follows the U.S. policy of neither confirming nor denying the existence of nuclear weapons, which is a poor excuse.

The South side said that without a solution to the nuclear issue, practical progress cannot be made in North-South relations nor can North-South exchanges and cooperation be expected, and that no success can be expected from talks between deputy premiers, although the talks are under way. Our side's chairman responded that this action overturns the South side's promise made during recent North- South dialogue not to make the nuclear issue a precondition for implementation of the agreement. He stressed that this is an undisguised declaration to block implementation of the North-South agreement and the joint declaration and to reduce North-South relations to confrontation and that he regards this as a serious matter. He called on the South side to take responsibility for this. The South side again made poor excuses.

Summing up the meeting, our side's chairman demanded that if the South side genuinely wants to implement the joint declaration on the denuclearization of the Korean peninsula, it should do so after seriously studying our just and reasonable draft agreement for implementation and draft of inspection regulations.

The two sides agreed to hold the eighth meeting of the North-South JNCC on 31 August.

South Korea

Further Reportage on Visit by North's Kim Tal-hyon

Tours Chemical Plant

SK2207043592 Seoul THE KOREA TIMES in English 22 Jul 92 p 8

[Text] Visiting North Korean Deputy Prime Minister Kim Tal-hyon began his tour of industrial complexes in the southeastern provinces yesterday while showing keen interest in South Korea's industrial plants.

His particular focus seemed to lie in grasping the real picture of the South Korean economy.

Kim and his entourage arrived at a chemistry production plant of Lucky Ltd. in Chongju, Chungchong-pukto, on the first leg of their tour.

Lucky president Choe Kun-son and other company executives greeted the northern visitors and guided them through the factory. Upon arrival at the company, Kim signed a guest book reading "In commemoration of my visit to Lucky July 21, 1992."

During his tour of the plant's production lines, Kim asked question concerning chemistry as if to demonstrate that he majored in the subject in college.

One of his questions was whether the company was applying genetic engineering to actual production of materials.

Before his departure from Lucky, Kim presented the company with pottery in commemoration of his visit while asking for a videotape showing details of the company.

Thereafter Kim and other North Korean officials drove to Kumi, Kyongsang-pukto, where Goldstar Cable, Cheil Wool Textile and Daewoo Electronics are situated. Kim had lunch at Goldstar Cable with company executives.

Kim, during his tour of the three production plants, showed keen interest in workers' wages and production process.

After winding up his tour of industrial complexes, Kim attended a dinner hosted by Daewoo Group chairman Kim U-chung at the Hilton Hotel in Kyongju. A number of Daewoo executives were present at the dinner where a broad range of views regarding inter-Korean economic cooperation were exchanged. Kim plans to continue his tour of South Korean industrial complexes for two more days.

During yesterday's tour, Kim and other North Korean officials were active to draw attention from South Korean businessmen, saying inter-Korean joint ventures will benefit both Koreas.

Kim, who arrived in Seoul Sunday as head of a 10-member North Korean economic delegation, has called for early implementation of South-North pilot projects whenever chances were available.

His strong hopes for the realization of inter-Korean pilot projects appeared to meet with positive responses Monday [20 July], when he met with South Korean business leaders at a banquet hosted by Korea's five leading business organizations.

As if to emphasize the purpose of his visit, Kim told those in attendance that he would try his hardest to put South-North economic cooperation back on the right track.

He said at the banquet, "I came to Seoul with heartfelt aspirations for realizing inter-Korean economic cooperation. I will do my best to do so as an economic official."

Noting that the two Koreas made progress in their talks during the past year, he said, "Korea, not just South Korea, should prosper."

One North Korean official was beaming with confidence during the dinner. "It can be done if I do it," he said, apparently referring to inter-Korean economic cooperation.

South Korean business leaders responded with positive reactions to the North Koreans' aspirations.

Pak Yong-hak, chairman of the Korea Foreign Trade Association, made known that he was ready to invest in North Korea as soon as the two Koreas reached an agreement and urged North Korea to immediately take the necessary actions.

Yu Chang-sun, president of the Federation of Korean Industries, said there were times when "one person's thoughts made things happen."

Times had changed, he said, and the basic principle now was agreement among a group of people.

South Korean business leaders told the northern visitors that they are studying ways to dispatch an economic cooperation mission to North Korea soon.

"Before the dispatch, North Korea is urged to set up an institutional vehicle guaranteeing our investment in the North," they said in unison.

On Monday, the second day of their visit to South Korea, the northern visitors looked around industrial plants near Seoul. first, they dropped in at Samsung's semiconductor factory in Kihung, Kyonggi-to.

Samsung Co. president Yi Pil-kon and other company executives guided them through the 90-minute tour of film shows, display rooms and manufacturing lines. Kim praised Samsung's accomplishments saying he knew that the company was one of the only five electronics firms he heard of during his overseas trips that would still exist 10 years later.

"This is how we can survive only through technological tie-ups with Samsung," he jested with company officials.

When the officials told the deputy premier they had invested in China and Russia, Kim said, "you should invest in North Korea first, before other countries."

His tour of Samsung apparently convinced him that North Korea needs concentrated investment if it wants to develop home appliance technology.

"I have heard in foreign countries that South Korean technology in electronics and household appliances is excellent," he said while looking at manufacturing lines.

Meets With Daewoo Chairman

SK2207061092 Seoul YONHAP in English 0315 GMT 22 Jul 92

[Text] Seoul, July 22 (YONHAP)—North Korean Deputy Premier Kim Tal-hyon, who arrived in Kyongju on Tuesday [21 July] afternoon, had a day of history lessons Wednesday, looking around Sokkuram Grotto, Pulguk-sa Temple and Chonmachong, a royal tomb.

Kim, who is staying at the Kyongju Hilton, surrounded by a scenic lake and low hills, took a walk around the hotel early Wednesday morning with Kim U-chung, chairman of the Daewoo Business Group, and his wife, the owner of the hotel, for about 30 minutes.

As the businessman smoked while they were walking, Kim asked him why he did it as it was bad for his health. The tycoon responded that smoking, though harmful for the health, was good for the mind.

The Daewoo chairman hosted a dinner for the visiting deputy premier at an Italian restaurant in the hotel Tuesday. Having met in Pyongyang and Moscow, the two are said to be quite close to each other.

The meal lasted for around three hours, two hours longer than scheduled, in an amicable atmosphere with the attendance of some 30 Daewoo executives and local businessmen.

The guests were first served wine but later soju, a fiery Korean spirit, at the request of Chairman Kim.

The dinner came to a climax with a performance of eight lyric songs at around 10 P.M., and the North Korean deputy premier asked for "Touch-Me-Not" to be sung again.

In between tours of historic relics in Kyongju, the North Korean deputy premier and his group visited the mammoth Pohang Iron and Steel Co. in the nearby Pohang and watched the process of steel-making. The visitors were to go to Ulsan later Wednesday.

Before arriving in Kyongju, Kim looked around industrial plants in Kumi and expressed particular interest in the ultramodern manufacturing equipment.

While visiting Cheil Synthetic Textiles Co., a subsidiary of the Samsung Business Group, Kim asked company officials whether they still sold mixed yarn, including synthetic fiber, showing a keen interest in textile products.

The North Koreans moved to the office of company President Chae Pyong-o after looking around the production lines and talked with company executives.

Chae proposed giving Kim a suit and asked him to be measured. Kim asked when it would be ready.

When Chae replied it would be ready before he returned to Pyongyang, Kim said politely: "I will gladly get it next time I come to South Korea."

Kim wore a sullen face for a while after he was briefed on the coverage of his visit by the South Korean media and burst into anger while visiting a Lucky-Goldstar plant in Kumi.

Over lunch with Ku Cha-kyong, chairman of the Lucky-Goldstar Group, Kim expressed his discomfort with the media.

"Some South Korean newspapers and television stations are reporting things I haven't mentioned," he said.

Yim Tae-tok, secretary of North Korea's External Economic Commission, complained to the South Korean press that he couldn't tolerate news reports that the North Korean economy was in tatters and might also endanger its system.

"It is bad manners for a host to speak ill of his guest and get on his nerves. If this continues unchecked, it may have a negative impact on the remaining schedule," Yim said.

In the Lucky-Goldstar factory, Kim kept a watchful eye on electronics products, in particular cameras.

"Isn't this made in a joint venture with Canon of Japan," Kim asked a company executive while touring a camera production line.

The company presented Kim with three gifts, including a videocassette recorder (VCR), and gave cameras to the other members of the group.

YONHAP Analyzes Visit

SK2207094292 Seoul YONHAP in English 0852 GMT 22 Jul 92

[Text] Seoul, July 22 (YONHAP)—North Korean Deputy Premier Kim Tal-hyon's one-week tour of South Korea is not expected to result in a "decisive" breakthrough for inter-Korean relations because of Pyongyang's double standard, South Korean officials say.

While Pyongyang shows a keen interest in economic cooperation with Seoul to avert catastrophe at home, it is dragging its feet on nuclear inspections and family reunions, they say.

Optimistic expectations exist among government officials and business leaders for Pyongyang to seek a thaw in North-South Korean ties as it tries to win economic assistance from Seoul.

Such optimism was running high as the arrival of Kim, skipper of North Korea's economy, hit the headlines in the South and is primarily based upon a steadfast position that links economic cooperation with Pyongyang to the settlement of the nuclear and separated family questions.

North Korea expressed a strong desire for implementation of pilot projects before the full-fledged exchange and cooperation provided in the inter-Korean agreement on basic relations signed late last year.

However, it came up with a no-compromise position at the seventh session of the Joint Nuclear Control Commission (JNCC) and Red Cross talks at the border village of Panmunjom while its deputy premier was visiting the South.

At the JNCC meeting Tuesday, Pyongyang refused to begin discussion on inspection rules, claiming that suspicion about its nuclear development capability was cleared by a recent international inspection.

The Seoul side offered a draft of an additional agreement on the implementation of the joint declaration on denuclearization of the Korean peninsula and proposed that the two sides work out regulations for mutual inspections.

But North Korea tried to evade the mounting international call for inter-Korean nuclear inspections, handing out irrelevant demands, South Korean officials say.

Referring to U.S. President George Bush's July 2 announcement on withdrawal of tactical nuclear weapons from overseas, the North asked the United States officially announce how many nuclear weapons it had withdrawn from South Korea and when, they say.

They say that North Korea's proposal to hold JNCC meetings once every two months, beginning with the eighth session at the end of september, betrays its intention to avoid presssure for mutual nuclear inspections.

Prospects for the agreed exchange visits of dispersed families may also be dour in consideration of North Korea's actions.

In a meeting of Red Cross officials at Pannumjom, the northern side came out with a new demand for talks Monday.

North Korean delegates to the talks called for cancellation of the South Korean-U.S. "Focus Lens" joint military exercise scheduled for Aug. 19-30, saying that otherwise the reunions, Aug. 25-28, might be delayed.

Some North Korea observers here translate the demand as an attempt to postpone the program with an excuse that the date coincides with the exercise, while trying to give an image that North Korea is sincere in keeping the agreements and laying the entire blame for the postponement on the South.

Up until now, North Korea has vehemently called for the return of Yi In-mo, a North Korean war correspondent who had been prisoned for 34 years in the South for refusing to give up communism, as a prerequisite to the exchange program.

The motives for the North Korean move, the observers say, may be an underlying refusal to open its military installations to challenge inspections and an attempt to simultaneously minimize the negative impact on its people, who are ignorant of the outside world, following the exchange visits.

A breakthrough may come for the settlement of the nuclear and reunion issues if the North, faced with the double dilemma of worsening economic conditions and diplomatic isolation, decides to win economic assistance from the South and improve ties with the United States and Japan.

The visit by Kim Tal-hyon, who is widely believed to carry a personal letter from North Korean leader Kim Il-song for South Korean President No Tae-u, is hoped to produce an impasse.

DPRK Sites for Industrial Complexes Considered

SK2207003592 Seoul YONHAP in English
0003 GMT 22 Jul 92

[Text] Seoul, July 22 (YONHAP)—South Korea is studying Nampo and four other areas in North Korea and just south of the Demilitarized Zone (DMZ) for joint industrial complexes if an active inter-Korean economic cooperation gets under way, government sources said Wednesday.

The four other sites tentatively selected are Haeju, Wonsan and Changdan in North Korea and Chorwon, just south of the Demilitarized Zone, the sources said.

The size of the industrial complexes will depend on the availability of electric power and water supplies and transportation and other infrastructure. Most of these complexes could occupy plots of land extending about 300,000 to 1,000,000 pyong (one pyong equals 3.3 square meters), the sources said.

In order to minimize possible losses, the government plans to limit the total amount of investment by a South Korean company to 500,000 U.S. dollars. To avoid unnecessary competition among South Korean companies, the government will urge three companies in one type of business to form a consortium for investment in the complexes, the sources said.

In the proposed joint industrial complexes in Changdan in the North and Chorwon, in south of the DMZ, the government will encourage the production of foodstuff such as bread and underwear, shoes, toothbrushes, toothpaste, soap and other daily necessities.

In the complexes in North Korea, the government plans to help produce industrial goods such as chemicals, pulp, paper and processed fishery products, the sources said.

The government is also considering setting up customs, manpower training centers for North Korean workers and other auxiliary structures for the complexes, they said.

Foreign Minister Views Asian-Pacific Security

SK2207034792 Seoul YONHAP in English
0303 GMT 22 Jul 92

[Text] Seoul, July 22 (OANA-YONHAP)—South Korea and other Asia-Pacific nations realize that they need regional security policy dialogue, and the idea will be extensively discussed by the Association of Southeast Asian Nations (ASEAN) at its post-ministerial conference, Foreign Minister Yi Sang-ok said Wednesday.

They all agree that bilateral ties, such as Japan-U.S. and South Korea-U.S. consultations, are irreplaceable as a basis for regional security arrangements, but that they need political and diplomatic dialogue, Yi told reporters.

The foreign minister was to leave in the evening for the ASEAN conference in Manila, where he is to make clear through speeches that Seoul is not opposed to such dialogue on condition that the channel is not institutionalized.

"The word security should be understood as a comprehensive security concept encompassing military, trade, political, economic and even environmental issues," Yi said.

"We must understand that we are talking about regional security policy dialogue, not security cooperation," he said.

Asia was vastly different from Europe, and it was too early to set up an institution like the Conference on Security and Cooperation in Europe (CSCE), he said.

"We still have pending disputes such as territorial claims on the Kuril and Spratley Islands as well as the questions of the Korean peninsula and Cambodia. We cannot frame something like a CSCE at this point," Yi said.

He brushed aside rising concerns that Japan may emerge as a regional superpower through such regional security dialogue, saying: "Japan cannot and will not replace the United States in Asia-Pacific security.

"Japan's role in the area cannot but be limited. Even countries like Vietnam and Russia that opposed U.S. military dominance in the Asia-Pacific, now recognize that the area needs to keep a U.S. military presence," he said.

DP Rejects Assembly Discussion With DLP, UPP

SK2207073892 Seoul YONHAP in English 0626 GMT 22 Jul 92

[Text] Seoul, July 22 (YONHAP)—The ruling and minor opposition parties proposed to the main opposition Democratic Party [DP] Wednesday a three-party leaders conference for the normalization of the National Assembly.

But the DP rejected the proposal, insisting on holding local elections for provincial governors and city mayors this year and sending the political circle back to square one in its efforts to put the nation's single-chamber legislature on track.

The proposal was made following a meeting between Democratic Liberal Party [DLP] Executive Chairman Kim Yong-sam and Unification National Party [UNP—officially renamed United People's Party, UPP] leader Chong Chu-yong Tuesday night.

With the DP's rejection, Kim and Chong are scheduled to meet again next Monday. They are expected to agree to hold an extraordinary session of the National Assembly in August without the Democratic Party's participation.

The 14th National Assembly, inaugurated in late June, has been idled for nearly four weeks over the local election issue.

The DLP and UNP plan to hold the second extraordinary session for about 10 days from Aug. 1 to deal with pending issues, including the formation of 16 standing committees and approval of government appointments.

After the ruling party and the government postponed the elections beyond 1992 for economic reasons, the DP refused to cooperate with the ruling party to normalize the Assembly unless the government held the local elections this year.

The opposition party wants to hold the local elections this year to insure a clean and fair presidential election, scheduled for December. It wants local governing bodies to manage the elections jointly with the Central Election Management Committee.

In order to back up its position on clean elections, the DP jumped on the result of a general election ballot recount on Monday [20 July] in which a DLP representative lost his seat in the National Assembly to a DP candidate in Nowon-B district of Seoul.

The Democratic Party claimed that the reversal of the winner in the recount was an example of an organized and systematic scheme by the ruling party and the government to rig the result during the voting as well as vote-counting phases of any election.

It demanded that the government and the DLP institute a strong measure to prevent a recurrence of the incident and punish those responsible.

The DP also demanded that President No Tae-u apologize to the nation for the election mishap and fire then-Home Affairs Minister Yi Sang-yon as head of the Agency for National Security Planning. It also decided to hold indoor rallies to condemn election rigging and demand local elections.

But the ruling party rejected the DP's allegation and reiterated its claim that the mistake in vote counting resulted from a simple administrative error. At the same time, however, the party reaffirmed its intention to amend the nation's election laws or election methods for more equitable and fair elections.

At a meeting of senior party officials, Kim Tae-chung, the DP's co-leader, said he was ready to respond to any proposal for dialogue if Kim Yong-sam expressed his earnest intention to abide by the law.

Kim Yong-sam, meanwhile, blasted the DP for refusing to attend the National Assembly over the local election issue. He said the DLP intended to pursue a three-party leaders conference, but if it was not feasible, the National Assembly would have to open without the DP, according to "the wishes of the people."

Land Fraud Suspect Confesses, Implicates Official

SK2207045092 Seoul THE KOREA TIMES in English 22 Jul 92 p 3

[Text] The Seoul District Prosecutor's Office interrogated Yim Hwan-chong, 52, a real estate broker who turned himself in at the office Monday [20 July] afternoon, and found that he had forged a contract for the sale of the Military Intelligence Command site in Seoul with Kim Yong-ho, a former employee of the Joint Chiefs of Staff Headquarters.

However, Yim denied that he had forged the seal of the defense minister stamped on the contract, saying that the bogus seal was made by the former JCS official who had been arrested on swindling charges.

Yim was quoted as saying that he took refuge at Buddhist temples in the mountains and relatives' homes while he was on the run, but he decided to surrender after he realized that there is nowhere to go and there was no alternative but to surrender.

According to prosecutors, Yim admitted that he wrote the contract for the sale of the 17,000 pyong (one pyong is approximately 3.3 sq.m.) of land now occupied by the command in Socho-tong, southern Seoul, in consultation with Kim.

Yim said Kim signed the contract on Jan. 21 with Chong Kon-chung, 47, chairman of Sung Moo Construction Co. who resold the lot to First Life Insurance Company in the second stage of the fraud. Chong and several other staffers of the construction firm were arrested in connection with the land scam.

In return, Yim received 335 million won from Kim and used the money to liquidate debts and pay the rent for his house, according to prosecutors.

Yim told prosecutors that he put the minister's stamp on the contract but did not forge the seal.

Prosecutors said Yim's statements were contradictory to those of the former JCS official and will soon question Yim and Kim together to determine the truth.

The prosecutor's office will formally arrest Yim today on charges of swindling and document forgery.

Prosecutors are tracing the whereabouts of the money still unaccounted for out of 47.3 billion won the real estate brokers had embezzled from the insurance firm.

The prosecutor's office plans to announce the results of its investigation into the large-scale land scam tomorrow after determining how the money was used.

Prosecutors Begin Probe of Ballot Counting

SK2207063292 Seoul THE KOREA TIMES in English 22 Jul 92 p 3

[Text] In connection with the ballot recount that reversed the results of the March 24 Assembly election in the Nowon-B district in northeastern Seoul, prosecutors yesterday launched a probe to determine whether officials of the Central Election Management Committee or the ruling party intentionally manipulated the votes.

The probe will be centered on revealing if there was a "sandwich bundle" of 100 sheets, a spokesman said. "If so, there would have unmistakably been vote rigging," he said.

The controversial sandwich bundle is a typical way of throwing the bundle to the wrong person with only the top and bottom votes actually for the candidate.

The majority of other ballots belong to others in the middle of the sandwich bundle.

A senior prosecutor, however, ruled out somebody intentionally manipulating the ballot count with sandwich bundles.

According to the initial probe, there was only an "erroneous" calculation of votes in Nowon-B district.

If prosecutors fail to discover the truth, the affair will develop into a sharp political issue, political analyzers said.

In addition to the Nowon-B district, there have been 17 lawsuits asking for ballot recounts and for the courts' to hold the ballot boxes involved.

Of the 17 cases, three ballot recounts have been recently completed confirming the original winners through the repeated vote counts. However, the preciseness of the ballot counts was placed in serious doubt as the outcomes of the recounts were slightly different from those of the original ballot counts.

Of them, rival party candidates filed lawsuits against their ruling party rivals in 11 cases.

Critics also questioned the role of the Central Election Management Committee which made grave mistakes in ballot counts.

In case of Socho-B in southern Seoul, where Kim Tok-yong of the ruling party beat An Tong-su of the main opposition party by a margin of 592 votes. The outcome of the recount conducted on June 30 showed a 100-sheet bundle of An's votes has been falsely placed for Kim. So, the real margin was 492 votes.

Burma

Opposition Radio Station Inaugurates Broadcasts

BK2107125992 (Clandestine) Democratic Voice of Burma in Burmese 1430 GMT 19 Jul 92

["Opening address" by U Hla Pe, information minister of the National Coalition Government of the Union of Burma, on the first broadcast of the Democratic Voice of Burma; place and date not given—recorded]

[Text] Esteemed public and national populace, greetings on behalf of the National Coalition Government Union of Burma [NCGUB] led by Prime Minister U Sein Win from the independent region of Myanmar.

The successful emergence of Democratic Myanmar A-Than, [word indistinct] resulted while struggling against the State Law and Order Restoration Council [SLORC], the military group. It is also a [word indistinct] of Myanmar's democracy. It will present the wishes and voices of the public. Democratic Myanmar A-Than is for all ethnic groups and revolutionary [word indistinct] those who are fighting for democracy, human rights, equal rights, and self- determination. The National Democratic Front [NDF], comprised of ethnic groups; the Democratic Alliance of Burma [DAB], comprised of sanghas and exiled students in the independent region and patriotic Burmese abroad; and the National League for Democracy [NLD] in the independent region [words indistinct] the NCGUB are decisively opposing and fighting against the militaristic rule of the military group.

Democratic Myanmar A-Than will inform the public of the struggle of groups fighting for democracy, international development, [words indistinct] situation in order to fight against the military group. Democratic Myanmar A-Than will also note the injustices of the military group and will fight against the spread of propaganda by the military group. It will select and present programs of general knowledge to the public. The Democratic Myanmar A-Than will be dreadful and terrible for the military group, but it will be [word indistinct] for the oppressed public. With due respect, I would like to say from Democratic Myanmar A-Than that the NCGUB, the public's [words indistinct] will continue the fight for democracy until it is achieved.

Army Seizes 134 Kgs Raw Opium Near Kutkai 6 Jul

BK2007144792 Rangoon Radio Burma in Burmese 1330 GMT 20 Jul 92

[Text] Our defense service personnel, while carrying out the national defense duties to ensure peace and tranquility and safeguarding the homes and lives of the people, have also been engaged in the prevention and suppression of narcotic drugs as a national duty.

A defense service column from the Northeast Military Command, while engaged in a mopping up operation in the Mong Si-Nanlwin region of Kutkai Township on 6 July, came across two suspicious-looking persons with four mules carrying their luggage. When the two persons were ordered to stop for an investigation, one person ran away.

The search for the remaining mule herder Maung Yan Kyu, 22 years old, son of U Kyin Maung of Nam Kham village, and the four mules revealed 134.113 kgs of raw opium in 1,100 packets.

Responsible personnel are taking action against Maung Yan Kyu under the Narcotic Drugs Law.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Urges Kelantan To Sign Agreement on Dam

BK1807070692 Kuala Lumpur Voice of Malaysia in English 0600 GMT 18 Jul 92

[Text] Prime Minister Datuk Sri Dr. Mahathir wants the Kelantan state government to give a written undertaking that it will not interrupt the work of the Pergau hydroelectric dam project. This is necessary to ensure the project will progress smoothly.

He stressed that it must be a written and legally binding undertaking. If not work on the project cannot be resumed. The prime minister said there is no harm in giving a written undertaking for a good cause. It could be part of the original agreement or on its own. He said the Kelantan government has one month to sign the agreement.

Kelantan Demand for Compensation Denied

BK2107100392 Singapore THE STRAITS TIMES in English 19 Jul 92 p 2

[Text] Muar, Sat—The Federal Government rejected Kelantan's demand for $590 million in compensation from the implementation of the Pergau hydroelectric dam project as it would have burdened the people, Finance Minister Datuk Sri Anwar Ibrahim said.

He said the Federal Government could have taken the easy way out and relented to Kelantan's demand for $90 million in immediate compensation and another $500 million over 50 years.

"But we did not do so because in the end the price would have to be paid by the consumers," he said when opening the UMNO [United Malays National Organization] delegates AGM [Annual General Meeting] today.

Anwar, who is also UMNO vice president, said that if Tenaga Nasional [National Electricity Company] were made to pay for the compensation, it would have to raise tariffs to recover the money.

On the call by DAP [Democratic Action Party] Secretary General Lim Kit Siang that the ministry prepare a white paper on the Sultan [state ruler] of Kelantan's Lamborghini Diablo issue, Anwar said the request was preposterous.

"I think Lim is not serious and is only trying to mock our democratic system. We cannot publish a white paper just for an issue over a car," he said. [sentence as published]

Anwar said Lim was bereft of issues and had hoped for milaeage over the issue and that he was not satisfied that the issue had been solved amicably.

Singapore

Joint Air Defense Exercise With Malaysia Begins

BK2107103992 Singapror THE STRAITS TIMES in English 21 Jul 92 p 1

[Text] Malaysia and Singapore will hold a combined one-day air defence exercise today under the terms of the Five-Power Defence Arrangements (FPDA).

The exercise, over Peninsular Malaysia and Singapore, codenamed Minor Adex 92-3, will be coordinated by the Headquarters, Integrated Air Defence System—located at the Royal Malaysian Air force base in Butterworth—under the control of Air Vice-Marshal T.R. Richardson.

The aim of Adex is to exercise the air defence forces of the two regional member nations together to preserve the integrity of Malaysian and Singaporean airspace against a simulated external air threat.

Aircraft from the two countries will act both as defenders and aggressors.

The aircraft and air defence units participating in the exercise will include:

—Royal Malaysian Air Force: Northrop F-5E interceptors, A4PTM fighter-bomber, Aermacchi MB339 fighter, and Pilatus PC-PC7;
—Republic of Singapore Air Force: F-16 Falcon fighter, A4S Skyhawk fighter-bomber, S211 trainer, C-130 Hercules transport, Skyvan SH7; and UH-1H, Super Puma, and Ecureil helicopters.

The Singapore Air Defence Artillery will also deploy the Improved Hawk Missile System and a 35 mm anti-aircraft gun battery for the exercise.

Cambodia

Sihanouk Says UN Not To Blame for Stalemate

BK2107114592 Hong Kong AFP in English 1120 GMT 21 Jul 92

[Text] Takumau, Cambodia, July 21 (AFP) - Prince Norodom Sihanouk said here Tuesday that the United Nations was not to blame for the failure of the Khmer Rouge to go along with the peace accord ending the Cambodian civil war.

The U.N. Transitional Authority in Cambodia (UNTAC), the world's largest peacekeeping operation, is attempting to implement a peace treaty ending the war in order to hold elections next year.

But so far the radical Khmer Rouge, who signed the peace accord, have not cooperated with U.N. peackeepers, keeping U.N. soldiers out of the zone they control and refusing to lay down their weapons while demanding the dismantling of the Phnom Penh government.

The Khmer Rouge have blamed UNTAC for appearing to side with the Phnom Penh government in its attempt to get the Khmer Rouge to cooperate. "It is not UNTAC's fault. It is our (Cambodian) responsibility," the prince said at the opening of the UNTAC office in the province of Kandal which surrounds Phnom Penh.

"I stress UNTAC is in no way responsible for such a partial failure" of the peace accords, Prince Sihanouk said. "Despite my efforts, I up to now have not been succeeding in making some of my colleagues, the parties, accept fully the peace agreement."

UNTAC chief Yasushi Akashi, who also spoke at the opening ceremony, said the opening of UNTAC's provincial offices was necessary for the operation's control over Cambodia's key areas of governance.

UNTAC is charged with turning Cambodia into a neutral political environment, disarming the previously warring factions and holding elections by May 1993.

Khmer Rouge Question UN Peacekeeper's Duty

BK2107032292 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 20 Jul 92

[Text] Foreign news agencies and magazines recently wrote that French Brigadier General Michael Loridon, deputy commander of the UNTAC [United Nations Transitional Authority in Cambodia] Military Forces, which are duty-bound to implement the Paris agreement by verifying the total withdrawal of foreign forces from Cambodia so as to bring peace, security, and national reconciliation to Cambodia, said openly that he would be able to smash the Khmer Rouge with the use of only 200 troops, including himself.

We have no comment regarding this matter. We would, however, like to say just a few words as follows:

1. What is the duty of the UN peacekeeping force in Cambodia—to wage war or to seek peace?
2. A similar statement was often made by the mercenaries during the colonialist wars.

Loridon-Khmer Rouge Conflict Noted

BK2207053892 Phnom Penh SPK in English 0441 GMT 22 Jul 92

[Text] Phnom Penh SPK July 22—The radical Khmer Rouge lashed out at the second-in-command of the United Nations troops in Cambodia for his remarks that

the guerrilla faction could be crushed if involved in a showdown with U.N. peacekeeping forces, reports AFP.

In an interview published last week in the Hong Kong-based FAR EASTERN ECONOMIC REVIEW French General Michel Loridon said he doubted the Marxist Khmer Rouge, which has refused a U.N. plan to disarm Cambodia's rival forces, would dare shoot at U.N. troops.

However, he added, "it is possible...at some point they will try to block the U.N. move by force. If it comes to that one may lose 200 men—and that would include myself—but the Khmer Rouge problem would be solved."

"A similar statement was made often by the mercenaries during the colonialist wars," the Khmer Rouge said in a radio broadcast on Tuesday.

This was a reference to France's colonial rule over Cambodia and the other countries of Indochina, which ended with the 1954 French defeat at Dien Bien Phu at the hands of communist Vietnamese forces.

In his interview with the REVIEW Loridon, who is to leave Cambodia after being reassigned as commander of the French forces in Germany, said he had wanted to take more direct action against the Khmer Rouge (?if) his U.N. superiors would allow.

Khieu Samphan Letter to UN Secretary General

BK2207030192 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 21 Jul 92

["Letter from Khieu Samphan to the UN secretary general on the situation in Cambodia over the nine months since the signing of the Paris accord"—date not given; read by announcer]

[Text] First of all, I would again like to express to the United Nations and Your Excellency our deepest thanks for the United Nations' historic and most valuable contribution to a political settlement of the Cambodian problem embodied in the 23 October 1991 Paris accord. The Cambodian people and the Cambodian National Resistance Movement [CNRM], which have carried out a 13-year struggle with the support of the UN General Assembly and UN Security Council, have placed their entire hopes and confidence in the Paris accord. They are of the opinion that the fate of Cambodia as an independent, peaceful, neutral, and nonaligned country and the survival of the Cambodian nation rest on the sincere and unbiased implementation of the accord.

1. The Cambodian people and the CNRM yearn to have all aspects of the accord correctly and impartially implemented, specifically the two basic key provisions on the verification of the withdrawal of all categories of foreign forces from Cambodia and their nonreturn and the role of the Supreme National Council [SNC] as the sole legitimate body and source of authority in Cambodia during the transitional period.

2. Now that it has been nine months since the signing of the accord, the Cambodian people and the CNRM have become extremely anxious because two key provisions have not been executed and the SNC cannot perform its supreme duty entrusted by the accord due to its lack of authority and means. That being the case, the SNC is unable to cooperate with the UN Transitional Authority in Cambodia [UNTAC] [ach-nhathor bandaoh asan angka sahak pracheacheat] to verify the withdrawal of all categories of foreign forces from Cambodia.

3. Now the situation in Cambodia is:

A. Vietnamese forces continue to occupy Cambodia under the aegis of the so-called Phnom Penh government that the Vietnamese installed since the end of 1978 for use as their instruments to invade and occupy Cambodia. Everyone acknowledges that the so-called Phnom Penh government is illegal and is in gross violation of the Paris accord.

B. The Vietnamese aggressor forces continue to launch military operations against the Democratic Kampuchean forces and ship troops from Vietnam.

C. Vietnamese experts, in both an open and secret war, have disguised themselves as civilians and continued to organize and develop Vietnam's state authority system. They have also organized and led Vietnamese settlers whose number has now reaches nearly 2 million.

D. A great many Vietnamese settlers continue to endlessly flow into Cambodia within the framework of the policy of Vietnamizing Cambodia for the purpose of turning the country into a second Kampuchea Kraom.

E. The so-called Phnom Penh government has granted Cambodian citizenship to almost 1 million Vietnamese settlers, enabling the latter to participate in future elections in Cambodia.

F. The Vietnamese have used forces to misappropriate part of Cambodian territory by redrawing terrestrial and maritime boundaries.

4. That being the case, peace, security, and national reconciliation have yet to prevail in Cambodia. Such a situation stems from the fact that the Paris accord—specifically the two key provisions on the verification of the withdrawal of all categories of foreign forces from Cambodia and their nonreturn and the role of the SNC as the unique legitimate body and source of authority in Cambodia—are yet to be executed comprehensively, sincerely, and impartially. So far, the so-called Vietnamese-installed government continues to function as a Cambodian government.

To resolve the serious situation, the Party of Democratic Kampuchea [PDK] has put forth proposals one after the other, in particular the 27 June and 12 July 1992 proposals, in the spirit of contributing to having the accord implemented sincerely and impartially. The proposals can bring all factions speedily into the second phase of the peace accord. The PDK has never rejected the second phase, which is part of the Paris accord. But entering phase two without executing the two key provisions, especially the provision specifying that the Vietnamese-installed Phnom Penh government should not

exist, is tantamount to putting Cambodia under the so-called Phnom Penh government, thereby concretely allowing the Vietnamese to occupy Cambodia because the so-called Phnom Penh government is only an instrument of aggression of the Vietnamese.

I would like to enclose in my letter the aforesaid proposals for your consideration as well as that of the UN Security Council.

We are looking forward to receiving from the special representative of the UN secretary general in Cambodia the answers to our just and reasonable proposals.

Before concluding, all of us as well as the Cambodian people and the CNRM hope that Your Excellency and the United Nations will certainly continue to support the just cause of independence, peace, and national reconciliation of the Cambodian people and that you and the United Nations will do your utmost to have the Paris accord on Cambodia implemented sincerely and impartially.

Radio Renews Charges of Vietnamese Troop Presence

BK2007023692 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 19 Jul 92

["Confirmation by the Voice of the Great National Union Front of Cambodia radio on who has committed an aggression against whom and who has attacked whom"; date not given—read by announcer]

[Text] Some people have continued to accuse Democratic Kampuchea [DK] of violating the agreement and the cease-fire and of committing this and that act. We would like to raise this question: Who has committed the aggression against whom and who has encroached upon whom?

To answer this question, we would like to ask: Have all categories of the Yuon [derogatory term for Vietnamese] aggressor forces been withdrawn from Cambodia? Have the Yuon ended their aggression and occupation of Cambodia? Have the Yuon stopped oppressing, robbing, and massacring the Cambodian people?

The fact is that the Yuon have maintained all categories of their aggressor forces in Cambodia. These forces include overt and covert forces as well as police forces and 2 million Vietnamese settlers in Cambodia. The Cambodian people have heard and learned about this and have personally and constantly suffered at the hands of these Yuon aggressor forces of all categories. It is these Yuon aggressor forces of all categories that have led and are ordering their puppet-lackeys to oppress and rob the Cambodian people both inside the zone controlled by the Yuon and their puppets and in the semi-liberated zone.

In such a situation, should the Cambodian people allow the Yuon and their puppets to massacre and rob them and take liberties with their offsprings at will?

The Cambodian people have the full right to defend themselves against the acts of aggression and massacre by the Yuon aggressors and their puppet-lackeys. But as a common practice in line with their true nature and political aims, whenever the Yuon aggressors and their puppet-lackeys carried out operations to kill the Cambodian people and national resistance forces, those people turned a blind eye to it. When the Cambodian people defended themselves and opposed the Yuon aggressors and their puppets, these people loudly showed opposition to the victims of this aggression.

The Cambodian people can judge by themselves what is right or wrong and which is just or unjust. No one can fool or deceive them.

The Cambodian people will strive on to jointly do anything possible for the correct implementation of the Paris agreement until all categories of the Yuon aggressor forces are withdrawn from Cambodia and the Supreme National Council plays a full role as the sole state power during the transitional period. The traitorous puppet administration in Phnom Penh no longer exists.

Butrus-Ghali on Khmer Rouge Boycott of Accord

BK1907133292 Phnom Penh SPK in English 1100 GMT 19 Jul 92

[Text] Phnom Penh SPK July 19—The UN Secretary-General Butrus Butrus-Ghali has warned that any further delay in the implementation by the Khmer Rouge of the Phase-2 of the cease fire would affect the United Nations Transitional Authority in Cambodia [UNTAC]'s ability to organize and conduct the elections on schedule and could ultimately jeopardize the whole peace process.

In his second report to the UN Security Council dated on July 14, which he noted all activities conducted by UNTAC and the lack of cooperation from the party of Democratic Kampuchea (PDK) in Phase-2 which started on June 13, Butrus-Ghali stated that three of the parties had shown themselves willing to participate in the regroupment and cantonment process but the PDK had not.

"That party has also failed to respond to repeated requests from my special representative to comply with the 12 points he listed on 26 May 1992 to ensure implementation of the Paris accords, or to accept the proposal for dicussion drawn up by participants in the ministerial conference in Tokyo," he said.

The Paris peace agreements signed by the four Cambodian warring factions including the Khmer Rouge envisage that in Phase-2 of the cease fire, 70 percent of the factions' armies be regrouped, disarmed and demobilized.

Khmer Rouge, whose reign under Pol Pot from 1975 to late 1978 caused hundreds of thousands of deaths in Cambodia, has demanded that Phnom Penh government be dismantled as precondition for its entering Phase-2.

Butrus-Ghali also said that he had taken advantage of his visits to certain capitals, including most recently Paris

and London, to with leaders his concern about the implementation of the Paris agreements and to enlist their support.

He listed three main questions which need to be addressed at this juncture. Those are the following:

A/ What steps might be taken to persuade PDK to comply with its obligations under the Paris agreements;
B/ What action should be taken to underscore the determination of the international community to [word indistinct] plan; and
C/ How to obtain the full and active support of the signatories to the Paris agreements for UNTAC's efforts to carve out the various aspects of the mandate entrusted to it by the Security Council.

The UN Security Council will meet shortly to discuss the Khmer Rouge boycott of Cambodia's peace process, and decide whether the Khmer Rouge should be publicly condemned and sanctions adopted.

UNHCR—More Refugees To Return From Indonesia

BK2007054692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 19 Jul 92

[Text] A total of 592 Cambodian refugees are expected to return to Cambodia this week from a refugee camp in Indonesia. These refugees fled the country a couple of years ago in fear of the war that ravaged the country and the people's property and lives for more than two decades. On July 13, 124 returnees flew in from Indonesia and they were followed by another group of 122 the following day.

Sources from the Cambodian Red Cross said several hundred refugees would be repatriated from Indonesia between July 15 and 16. According to the latest report, 366 Cambodian refugees have already returned home from camps in Indonesia under the auspice of the UN High Commissioner for Refugees [UNHCR], and the remaining 700 have yet to register to return.

In another development, the UNHCR said that 50,000 other Cambodian refugees crossed the Thai border into Cambodia on July 13.

Merchants Refuse To Accept Small Currency

BK2107104592 Hong Kong AFP in English 0831 GMT 21 Jul 92

[By Sheri Prasso]

[Text] Phnom Penh, July 21 (AFP)—Cambodian merchants are refusing to accept small currency notes, causing markets to shut down, civil servants to refuse their salaries and shops to be burned by suspected disgruntled customers.

Shopkeepers in the capital started refusing the notes—10 and 20 denominations of the Cambodian riel worth about one and two U.S. cents—one week ago. Some now only accept the notes at half their face value or for a surcharge.

The vendors interviewed could give no reason except that their fellow shopkeepers refused to accept the notes and they did not want to be stuck with worthless currency.

Revenge by disgruntled customers was suspected in two fires at shops in the central province of Kompong Thom over the weekend, according to civilian police from the U.N. Transitional Authority in Cambodia (UNTAC) there.

UNTAC chief of finance in Phnom Penh, Roger Lawrence, said the problem was simply that shopkeepers did not want to count so many small bills.

With 100 percent inflation and the riel's drop to 1,300 to the U.S. dollar, the vendors can no longer afford the manpower to count small change, he said.

He compared the problem to buying a 70 dollar blouse at a department store in the United States with pennies.

The refusal to accept small bills is fueling inflation on many daily items. A pack of one brand of locally made cigarettes used to cost 180 riel, but now costs 200 riel because there is no change to give.

"This is a temporary mismatch of supply and demand," Lawrence said, which can be solved by the central bank buying the small notes with denominations of 100 and 500 riel and taking the old currency out of circulation.

He estimated it could be solved in a week if the central bank would offer to buy the notes and put them into the treasury.

Instead, the Phnom Penh government has issued directives telling market sellers to accept the currency at face value or face unspecified police action.

The radical Khmer Rouge opposing the Phnom Penh government have seized on the issue, calling for the abolition of the currency.

The group blew up the central bank with dynamite when it took power in 1975 and banned all financial transactions. Only the Thai baht is acceptable currency in zones it controls in western Cambodia.

The currency problem has spread to the provinces. In Kompong Thom over the weekend the central market closed itself down when customers fought with shopkeepers over acceptance of the notes, residents and shopkeepers there said.

The market's closure forced restaurants to stop serving food, and those few remaining open had only rice, eggs, and a few old vegetables.

Many of the province's civil servants had just been paid—all in 10 and 20 riel notes—and were trying to spend their salaries at the market.

Hun Sittha, who works in the administrative department of the Bureau of Fisheries in Kompong Thom, refused to accept his 22,600 riel (17.40 U.S. dollar) monthly salary.

"My salary for June is all in small money and I don't want to take it because it can't be spent in the market," he said.

The market was forcibly opened under police guard Monday after the governor announced in a morning broadcast over loudspeakers around town that merchants must open shop and accept the notes at their face value or lose their vending privileges.

Chea Song, who bought his booth at the central market for 10,000 riel (7.70 U.S. dollars) five years ago, estimated it would cost him 50 dollars to get his booth back if he didn't open shop.

"Everybody in this market is refusing the notes, so how can I take them?" he said. "The police came and said please sell everything as usual, but I can't make a profit like that."

He was charging 40 percent extra to any customer wanting to pay with 10 or 20 riel notes.

Rene Collard, an eight-month resident of Kompong Thom with Medecins Sans Frontiers, estimated that up to 75 percent of all money spent by Cambodians in the province is in small bills.

"It's a very big problem for them," he said.

Indonesia

Commentary on Topics of Manila ASEAN Meeting

BK2107024392 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 21 Jul 92

[Station commentary]

[Text] The annual ASEAN foreign ministers' meeting, which will begin today and end in Manila tomorrow, is expected to produce a common ASEAN stand on two [as heard] major issues pertaining to the stability of post-cold war Southeast Asia. Of interest will also be a meeting between ASEAN and its dialogue partners following the ministerial meeting. The current major problems that may undermine the stability and security of Southeast Asia are the Cambodian problem, because of the Khmer Rouge's different interpretation of the Paris accords; Burma's political crisis; and a growing dispute over the Spratlys. In the meantime, we hope that appropriate anticipatory steps will be taken at the meeting with the dialogue partners to realize the establishment of the ASEAN Free Trade Area or AFTA as a counterbalance against the single European market and the global market era, with which no country will be able to deal individually.

Given the problems facing the ASEAN member countries, we are giving special attention to the annual meeting in the Philippine capital. Although ASEAN was not established with regional stability and security as its sole objective and we are now negotiating the creation of a zone of peace, freedom, and neutrality, this in no way means that the security aspect is being neglected. Instead, the growing aspirations of the ASEAN leaders following the end of the East-West cold war (?emphasize) the importance of a common ASEAN concept for stability in Southeast Asia. It is not impossible that the Burmese crisis and the Khmer Rouge's hard-line stand on the settlement of the Cambodian conflict have been exploited by non-ASEAN parties. The dispute over the Spratlys involving the PRC, Vietnam, Taiwan, Malaysia, Brunei Darussalam, and the Philippines must be immediately settled before it becomes a flashpoint in our region. With Vietnam and Cambodia having expressed their intention to join ASEAN, the Manila meeting is expected to open up new opportunities. However, this expectation will be partly determined by the ability of ASEAN to assert its independence following the disappearance of the shadows of the superiority of Washington and Moscow. Basically, any external interference that may be categorized as an infiltration must be prevented no matter how slight it may be. Common, anticipatory efforts will be effective if all parties consistently adhere to common principles.

Regarding efforts to develop cooperation with ASEAN's dialogue partners, will the Manila meeting be able to change the negative attitude of several European countries bent on blurring important ASEAN-EC cooperation because of their subjective attitude toward Indonesia in connection with the East Timor issue? Thus, the weight of the forthcoming meeting will be definitely determined by the cooperative attitude of all participants within ASEAN itself as well as in the meeting between ASEAN and its dialogue partners.

Suharto: Role of Armed Forces, Political Parties

BK2207104592 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 22 Jul 92

[Text] President Suharto has made it clear that the government does not want to exploit existing youth organizations. President Suharto told executive members of the Indonesian National Youth Committee [KNPI] at his Bina Graha office this afternoon that the government wanted the youth to understand ideas developed in our life as a nation and a state and to consistently contribute to the maintenance of national stability for the sake of our national survival. The delegation was accompanied by Akbar Tanjung, minister of state for youth and sports during the meeting.

According to KNPI General Chairman Cahyo Kumolo, the head of state made it clear that the existing government does not belong to an individual but is a people's government. Although it is clearly stipulated that the president is the country's chief executive, the president, whose mandate to rule the country is given by the People's Consultative Assembly [MPR], is under the

MPR to which he is accountable every five years. In the meantime, the House of Representatives monitors the president's tasks as the chief executive.

Regarding the dual functions of the Armed Forces of the Republic of Indonesia [ABRI], the president said that the ABRI as a sociopolitical force has the right to help determine the country's policies through the MPR. Thus, the head of state said that the ABRI could express dissatisfaction, if any, with the country's situation through the MPR instead of using other means. As a sociopolitical force, the ABRI should also be able to accommodate existing aspirations.

Commenting on the intention of certain sociopolitical forces to extend their political network to villages, President Suharto reminded the nation that rural residents who are the country's main national force should not be split. According to the head of state, the political network of sociopolitical forces should be just up to the district level. Nonetheless, sociopolitical forces are tested about their ability to train their rural cadres to help develop the political role of the rural residents. The president said: In short, don't take the risks to sacrifice national unity and cohesion solely for political interests.

The KNPI leadership briefed President Suharto on what the youth organization had done for the past 19 years and on programs to mark its 19th anniversary on 23 July.

Laos

Soulivong Discusses Friendship Treaty With SRV

BK2107140392 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 21 Jul 92

[Interview with Soulivong Phasitthidet, deputy foreign minister of the Lao People's Democratic Republic [LPDR], on implementing the Treaty on Border Regulations and Cooperation between the LPDR and the SRV on the occasion of the 15th anniversary of the signing of the Laos-Vietnam Treaty of Friendship and Cooperation, by station correspondent; date not given—recorded]

[Text] [Soulivong Phasitthidet] Regarding the implementation of the Treaty of Border Regulations between the Lao People's Democratic Republic [LPDR] and the SRV signed in Ho Chi Minh City on 1 March 1990, the border committees of the two countries held the first meeting in Hanoi in July 1991 to consult with each other on organizing the implementation of the treaty to genuinely conform to its true spirit and content. In early July 1992, the border committees of the two sides held the second meeting in Vientiane to review the work earlier agreed upon in order to draw lessons and to outline the program of action for future execution.

In implementing the Treaty on Border Regulations in the past year, I can assure you that both the Lao and Vietnamese sides have cooperated with each other in defending and maintaining peace along the border, thereby conforming to the strong common desire of the two parties, governments, and peoples of Laos and Vietnam. The peoples of the two nations have always aspired to turn the border between the two countries into a border of peace, friendship, and cooperation. All the Lao provinces sharing the common border with the SRV have carefully consulted one another on organizing the implementation of the actual tasks together with the SRV provinces sharing the common border with Laos, including conducting a survey and inspection of the borderline, planting the border delineation posts, and crossing the border by Lao and Vietnamese peoples, especially those living along the border. Border inspection teams have been set up to maintain peace and security along the border, to prevent illegal and wanton border crossings, and to get rid of bad elements who are bent on subverting and destroying the LPDR and the SRV. Our border committees unanimously agreed to cooperate and (?assist) each other in a timely and effective manner in resolving any undesirable problems [words indistinct] to contribute to preserving the tradition of friendship relations, special solidarity, and comprehensive cooperation between the two parties, states, and peoples of Laos and Vietnam.

[Correspondent] What is the general atmosphere of the joint operations conducted by the border committees of Laos and Vietnam like?

[Soulivong] After each meeting and through our exchange of letters on certain developments along the border, we can see that our meetings are always successful and fruitful and proceed under an atmosphere of intimacy with the spirit of mutual understanding, assistance, and benefit. At the same time, we have also firmly adhered to the principles of solidarity, friendship, and comprehensive cooperation as well as the guildelines given by the leaders of our two countries. We are determined at all times to safeguard and preserve our traditional special solidarity and to build our respective country into a strong and prosperous entity.

[Correspondent] What do you think about the 15th anniversary of the signing of the Laos-Vietnam Treaty of Friendship and Cooperation?

[Soulivong] As you know very well, the signing of the Treaty of Friendship and Cooperation between the LPDR and the SRV constituted a historical landmark in the relations between our two countries in the new period—the period in which Laos and Vietnam have attained total victories in our national liberation struggles and our peoples are firmly marching forward to triumphantly build and develop our respective country. The time-honored traditional relations of friendship, special solidarity, and comprehensive cooperation between the two parties, states, and peoples of Laos and Vietnam have been incessantly consolidated and developed. The party and state leaders of the two countries have regularly exchanged visits to further strengthen their mutual relations and understanding during the

restructuring period in each country and while the international situation is undergoing a profound change. They have reached unanimity (?on all issues) and endorsed each other's paths and steps, which are suitable to the special characteristics in each country. The visit to the SRV by Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committree [LPRP CC] and president of the LPDR, in October 1991 and the visit to the LPDR by Vo Van Kiet, Political Bureau member of the Communist Party of Vietnam [CPV] and chairman of the SRV Council of Ministers, in February 1992 reaffirmed the aspirations of the parties, governments, and peoples of the two countries to continue safeguarding and enhancing the fine tradition of friendship relations, special solidarity, and comprehensive cooperation on the basis of the principles of respect for each other's independence, sovereignty, and mastership. (?Let us strive) to restructure the form and mechanism of our cooperation for better efficiency to guarantee each other's interests.

Through implementation of the Treaty of Friendship and Cooperation in the past 15 years, we are of the view that the great achievements attained through the comprehensive cooperation between Laos and Vietnam in the political, economic, cultural, technical, and scientific fields have become a firm foundation for further strengthening the relations of friendship and for developing the economy in each country, thereby contributing to the cause of peace, friendship, and cooperation in the region and the world as well.

Front Chairman Sends Greeting to SRV Counterpart

BK2207030592 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 21 Jul 92

[Greetings message from Maisouk Saisompheng, chairman of the Lao Front for National Construction Central Committee, to Nguyen Huu Tho, chairman of the Vietnam Fatherland Front Central Committee; date not given]

[Text] On the occasion of the 15th anniversary of the signing of the Laos-Vietnam Treaty of Friendship and Cooperation, on behalf of the Lao Front for National Construction [LFNC] Central Committee and the multiethnic Lao people, we would like to convey warm salutations and best wishes to the Vietnam Fatherland Front [VFF] Central Committee and the heroic Vietnamese people.

Throughout the past 15 years, following the implementation of the Laos-Vietnam Treaty of Friendship and Cooperation, the special solidarity and comprehensive cooperation between Laos and Vietnam have been fruitfully enhanced and the time-honored traditional relations have been increasingly developed and strengthened. Our LFNC is elated to see that the precious heritage, which was built and always nurtured by President Ho Chi Minh, has been efficiently promoted and expanded.

On this glorious and auspicious occasion, we would like to express sincere and profound gratitude to the party, the government, the front, and the fraternal people of Vietnam. We wish the VFF and the fraternal Vietnamese people new, still greater success in implementing the resolutions of the Sixth Congress of the elegant Communist Party of Vietnam. May the great friendship, special solidarity, and comprehensive cooperation between Laos and Vietnam be increasingly developed and last forever!

Seminar on Cooperation With Thailand

BK2007132892 Vientiane KPL in English 0904 GMT 20 Jul 92

[Text] Vientiane, July 20 (KPL)—A seminar on Lao-Thai cooperation was held at Lan Xang Hotel here on July 18, 1992, under the theme "Role of State and Private Sectors."

Among the participants were Mr. Thongloun Sisoulit, Lao deputy foreign minister; Professor Dr. Chai-anan Samutwanit, president of the Sociology Association of Thailand; and a number of participants from both state and private sectors.

Addressing the opening ceremony, Mr. Thongloun Sisoulit highlighted the seminar as a constructive initiative beneficial to the ties and cooperation between the two countries and people. The seminar was originated from the determination and efforts to bring about mutual understanding which was good to the promotion of cooperation of both state and private sectors of the two countries, especially in economy.

Writers Group Returns From PRC Visit

BK2107101692 Vientiane KPL in English 0907 GMT 21 Jul 92

[Text] Vientiane, July 21 (KPL)—A delegation of the Lao Writers' Association headed by its president, Mr. Souvanthon Bouphanouvong, arrived home on July 19, 1992, ending its visit to China since July 15, 1992 at the invitation of its Chinese counterpart.

During the visit, Lao and Chinese writers exchanged experience in writing and agreed upon the exchange of visits between the two countries' writers in the future. The two sides will also cooperate in publicity.

The Lao writers had visited places of interest in Beijing, (?Shandong), Shanghai, and Kunming.

Philippines

Ramos To Chair Advisory Council on Exports

HK2207082692 Manila PHILIPPINE DAILY INQUIRER in English 22 Jul 92 p 17

[By Corrie S. Narisma]

[Text] President Fidel V. Ramos has accepted the chairmanship of the Export and Investment Development Council (EIDC), an advisory group that is tasked to provide direction to the country's export and investment sectors.

With the President as its head, local exporters have urged the government to convert the EIDC from being a mere advisory group into an export and investment policy making body.

Sergio Luis-Ortiz, president of the Philippine Exporters Foundation Inc., confirmed the President's acceptance of the top EIDC post as he announced the expansion of the council to include additional representatives from the Visayas and Mindanao and from small- and medium-sized exporters' groups.

Local exporters, according to Ortiz, felt that this gesture of the President indicated the government's policy to put exports and investments on top of its priority list.

However, exporters have urged Mr. Ramos to issue another executive order converting the EIDC into a policy-making body.

The EIDC was formed last December through Executive Order No. 499 to provide direction to the development and promotion of exports and investments.

It also serves as a form that will address all pressing problems impeding the development of a buoyant export sector and increased export-related investments to achieve higher economic growth.

Despite proddings from exporters, then President Aquino refused to assume the chairmanship of the EIDC. Instead, the secretary of Trade and Industry was designated chairman.

Ortiz said that Executive Secretary Peter Garrucho Jr. convinced the President to accept the top EIDC post. President Ramos' acceptance of the EIDC chairmanship was relayed to exporters through Garrucho.

Trade and Industry Secretary Rizalino S. Navarro had said that the President should head the council to put more authority and stature to it.

With the President as chairman, he said that this would send a clear signal that exports and investments are indeed given the highest priority by the new administratior.

Trade and Industry officials said that government agencies involved in the EIDC would now be more active in undertaking programs that will enhance exports and investments since the President will lead the council.

The EIDC is composed of three representatives from the private sector led by the Philippine Exporters Foundation Inc., and from various economic agencies such as the DTI [Department of Trade and Industry], the National Economic and Development Authority, the Department of Finance, and the Central Bank.

Freed Communist Rebel Resumes Armed Struggle

HK2207082592 Manila PHILIPPINE DAILY INQUIRER in English 22 Jul 92 p 7

[Text] A communist rebel leader who was temporarily released last year has rejoined his comrades in the hills and now oversees all rebel activities in Mindanao, the military claimed yesterday.

Brig. Gen. Romeo Padiernos, chief of the Armed Forces Civil Relations Service, said that George Madlos returned to Mindanao in January and "worked his way back to the top" of the Mindanao Commission of the Communist Party of the Philippines [CPP].

Padiernos said Madlos used to occupy the top CPP post in Mindanao when he was arrested two years ago in Metro Manila. He was charged with rebellion and detained at Camp Crame.

Padiernos said a judge ordered the military to temporarily release Madlos last year after he complained that prison conditions aggravated his respiratory ailment.

Padiernos said at least four Army soldiers who escaped from a Communist New People's Army [NPA] camp on July 6 claimed that Madlos and renegade priest Frank Navarro were among their captors.

Padiernos did not explain how the four lowly soldiers were able to identify Madlos.

But Padiemos said the testimony of the four soldiers confirmed a military intelligence report that Madlos had rejoined his comrades.

He said the four soldiers were members of a large 100-man Army contingent which was ambushed by NPA rebels in Cagwan town in Surigao del Sur on Feb. 15.

Thailand

Tribunal Rules Amnesty Decree Legal

BK2207104892 Hong Kong AFP in English 1030 GMT 22 Jul 92

[Text] Bangkok, July 22 (AFP)—Thailand's Constitutional Tribunal has ruled that the blanket amnesty issued in the wake of the May political turmoil does not violate the national charter, a government official said Wednesday.

The decision appeared to rule out the prosecution of military officers for the deaths of at least 52 people when troops fired on anti-government demonstrators.

Then-Prime Minister Suchinda Khraprayun issued the amnesty by executive decree only hours before he resigned in disgrace on May 24. It absolves all parties, military and civilian alike, of wrongdoing during the four days of violence that wracked the Thai capital.

Pro-democracy advocates have insisted the amnesty was unconstitutional and have called for Suchinda, Supreme Commander Kaset Rotchananin, and army chief Itsaraphong Nunphakdi to face trial.

An earlier attempt to have the amnesty overturned failed in early June when the tribunal declared itself unable to rule on particular objections to the decree.

Opposition parties and democracy activists subsequently challenged the amnesty on different grounds. But the tribunal ruled Wednesday that the amnesty meets constitutional provisions.

Telephone Board Led by Army Commander Replaced

BK2107154992 Bangkok Army Television Channel 5 in Thai 1230 GMT 21 Jul 92

[Text] The cabinet has decided to replace the telephone organization board, which had Army Commander in Chief General Itsaraphong Nunphakdi as its chairman, with a new board. Prime Minister's Office spokesman Montri Chenwitkan reported the cabinet decision and said that the new board will have Rungrot Siprasoetsuk, deputy permanent secretary of the Communications Ministry, as chairman of the board of the Telephone Organization of Thailand. The appointment of the new board was made by Communications Minister Nukun Prachuapmo and has been approved by the cabinet. The cabinet decision resulted in the expiration of the entire board chaired by Gen. Itsaraphong Nunphakdi.

Military Radio Told To Stop Political Commentary

BK2207014392 Bangkok BANGKOK POST in English 22 Jul 92 p 1

[Text] The Supreme Command has ordered an end to political commentaries by the military radio network in observance of its policy to remain neutral during the September 13 election campaign.

Supreme Command spokesman Anuson Krisanaserani said the order issued by Supreme Commander ACM [Air Chief Marshal] Kaset Rotchananin was directed mainly at its Phua Phaen Din Thai (For the Thai Territorial Sovereignty) programme which has served as the armed forces' political mouthpiece in the past.

The evening programme, he said, was so popular in the past that Radio Thailand relayed it across its network nationwide.

Lt-Gen Anuson said military radio stations would continue to help broadcast election promotion programmes if asked by the Government.

Military agencies have been ordered to coordinate with government offices to find out if any of them want to use the military radio station to broadcast election promotion programmes.

The military itself will stop airing political commentaries from now on, he said.

Lt-Gen Anuson said the Phua Phaen Din Thai programme was originally designed to counter propaganda from a foreign radio station.

Now the regional political situation has changed, the military does not know if the Public Relations Department thinks it necessary to continue relaying the military broadcast across its network, he said.

Chawalit Vows To Transfer Military Leaders

BK1907035292 Bangkok THE NATION in English 19 Jul 92 p A1

[Text] New Aspiration Party [NAP] leader Chawalit Yongchaiyut vowed yesterday he would transfer military leaders responsible for the bloody crackdown on prodemocracy protesters in May if he becomes the country's next prime minister.

Chawalit's challenging statement came as the Confederation for Democracy and representatives of political parties called on the interim Anan government to restructure the armed forces and transfer top military commanders whom they blamed for the massacre.

Gen Chawalit, a former supreme commander and army chief, said he was confident he had the best chance of taking the premiership after the Sept 13 election .

It was known that certain military leaders had ordered armed troops to use force to suppress demonstrators taking part in the protests on May 17-20, and they had been branded as "murderers," said Chawalit.

He said if he becomes the next prime minister, he will talk to those military leaders to make them admit their faults and show responsibility for what they had done.

"They will have to be transferred too," said Chawalit. He was speaking in a special TV programme on Channel 9 last night with THE NATION editor in chief Suthichai Yun acting as moderator.

Chawalit said even Chat Patthana Party leader, ex-premier Chatchai Chunhawan, would not be able to compete with him for the premiership.

"Gen Chatchai is more than 70 years old now and he should stay home to take care of his grandchildren," Chawalit said.

Chatchai has been in politics for many years and he could not bring any admirable change to the country. He was also unsuccessful with the national administration when he served as prime minister, Chawalit said.

The NAP leader said he did not view Chatchai's Chat Patthana (National Development) Party as a strong rival to his party because it was only a fledging and had yet to gather sufficient political clout. Chawalit said his party planned to field 180-190 candidates in the Sept 13 election. He was not worried about the defection of some 20 former NAP MPs to other parties.

Asked about the NAP's position on competing with other political groups in the old opposition bloc in the election campaign, Chawalit said the parties have agreed in principle not to assail one another.

The NAP wanted to maintain its good relations with the allied parties, Chawalit said, adding he would tell voters that they should vote for candidates from either his party or the other three groups, Phalang Tham, Democrat and Solidarity.

In a related development yesterday the Confederation for Democracy, the main driving force behind the pro-democracy protests demanding the ouster of non-elected former prime minister Gen Suchinda Khraprayun in May proposed that the interim government restructure the armed forces by reducing the administrative power of the supreme commander and increase the authority of the defence minister in reshuffling military commanders.

Speaking after a meeting with political party leaders, student activists academics and businessmen at the Royal Hotel yesterday, confederation chairman San Hatthirat said it was concluded that military leaders responsible for the killing of protesters in May, including Supreme Commander ACM [Air Chief Marshal] Kaset Rotchananin, army chief Gen Itsaraphong Nunphakdi and First Army Region Commander Lt Gen [Lieutenant General] Chainarong Nunphakdi, should be transferred before the election on Sept 13.

The decree granting an amnesty to military figures who ordered the massacre should be abrogated, he said.

The military secret fund which has been spent without government auditing should be used to upgrade the living standards of junior militarymen, and armed forces leaders should be legally banned from chairing state enterprise boards, San said.

The confederation also suggested that the public and private sectors help resist any coup in the future by stopping work, withdrawing money from banks, dodging taxes and publicizing news about the coup locally and overseas.

Kaset Seri Party Dissolves, Joins New Aspiration

BK2207061192 Bangkok Radio Thailand Network in Thai 0000 GMT 22 Jul 92

[Text] Anan Buranawanit, leader of the Kaset Seri Party, has announced the dissolution of the party in order to merge with the New Aspiration Party [NAP]. NAP spokesman Chaturon Chaisaeng announced that the party will field a total of 173 candidates to run in the coming 13 September 1992 general elections. He said he was confident that the NAP would win a greater number of parliamentary seats in the next election than in the previous one.

Three New Parties Officially Registered

BK2207013792 Bangkok BANGKOK POST in English 22 Jul 92 p 6

[Text] Three new political parties, including that of former House speaker Athit Urairat, were given final approval by the Political Party Registrar yesterday. Permanent Interior Secretary Anan Anantakun, the political party registrar, announced the approval of Phalang Prachachon, Pracha Thai and Prachachon Thai parties. Their registration would be published in the Royal Gazette, enabling them to field candidates in the general election when candidate registration begins next Monday.

Asked about Prachachon Thai, whose name Dr Athit wants to change to Seri Tham, Mr Anan said this request would have to reach him today or he cannot process it before candidate registration closes on Friday next week. Mr Anan insisted no special treatment was given to any of the parties approved yesterday. He said Dr Athit's party had not asked him for any extra help and he had been fair to all applicants.

Seminars will be organised in 18 locations nationwide for all kamnans [district headmen] and village headmen throughout the country to be briefed on the election policies of the Interior Ministry from August 13-31. A budget of between 60 to 70 million baht, to come out of the ministry's budget for the general election, will be spent to hold the seminars, Mr Anan said.

Vietnam

Ho Chi Minh City, Haiphong Election Results

BK2207123992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Jul 92

[Text] Following are results of the election of deputies to the Ninth National Assembly in Ho Chi Minh City:

Number of electoral units	9
Number of National Assembly deputies	24
Number of candidates	36
Number of registered voters	2,712,469
Number of actual voters	2,698,840
Voter turnout	99.49 percent
Number of deputies elected	24

Following is a list of the 24 elected deputies to the Ninth National Assembly in Ho Chi Minh City:

1. Pham Quang Du, elected with 70.49 percent of the total valid votes;
2. Thich Minh Chau, elected with 66.52 percent of the total valid votes;
3. Nguyen Van Hanh, alias Tam Dan, elected with 59.52 percent of the total valid votes;

4. Tran Du Lich, elected with 61.74 percent of the total valid votes;
5. Le Minh Chau, alias Ba Chau, elected with 61.66 percent of the total valid votes;
6. Vu Tuat Viet, elected with 61.61 percent of the total valid votes;
7. Truong Tan Sang, alias Tu Sang, elected with 83.33 percent of the total valid votes;
8. Do Hoang Hai, alias Nam Khoa, elected with 80.03 percent of the total valid votes;
9. Pham Phu, elected with 64.40 percent of the total valid votes;
10. Vo Van Kiet, alias Sau Dan, elected with 88.02 percent of the total valid votes;
11. Chu Pham Ngoc Son, elected with 77.85 percent of the total valid votes;
12. Ly Kim Mai, elected with 60.87 percent of the total valid votes;
13. Truong My Hoa, alias Bay Thu, elected with 62.70 percent of the total valid votes;
14. Phan Khac Tu, elected with 62.22 percent of the total valid votes;
15. Dinh Cong Hung, elected with 61.95 percent of the total valid votes;
16. Nguyen Huu Khuong, elected with 74.20 percent of the total valid votes;
17. Nguyen Minh Thanh, elected with 59.61 percent of the total valid votes;
18. Doan Le Huong, elected with 58.51 percent of the total valid votes;
19. Nguyen Thi Ngoc Phuong, elected with 82.92 percent of the total valid votes;
20. Nguyen Tan Phat, elected with 74.40 percent of the total valid votes;
21. Le Khac Binh, elected with 70.26 percent of the total valid votes;
22. Phan Van Khai, alias Sau Khai, elected with 87.01 percent of the total valid votes;
23. Huynh Thi Nhan, elected with 75.62 percent of the total valid votes; and
24. Nguyen Van Rang, elected with 72.27 percent of the total valid votes.

Following are results of the election of deputies to the Ninth National Assembly in Haiphong:

Number of electoral units	3
Number of National Assembly deputies	9
Number of candidates	14
Number of registered voters	879,671
Number of actual voters	858,831
Voter turnout	97.63 percent
Number of deputies elected	9

Following is a list of the nine elected deputies to the Ninth National Assembly in Haiphong city:

1. Do Quoc Sam, elected with 76.74 percent of the total valid votes;
2. Bui Duc Luan, elected with 63.85 percent of the total valid votes;
3. Nguyen Ngoc Hai, elected with 61.45 percent of the total valid votes;
4. Pham Van Tra, elected with 82.52 percent of the total valid votes;
5. Chu Van Muoi, elected with 63.77 percent of the total valid votes;
6. Tran Bich Nga, elected with 59.40 percent of the total valid votes;
7. Dao An, elected with 94.58 percent of the total valid votes;
8. Ho Te, elected with 90.2 percent of the total valid votes; and
9. Nguyen Thi Man, elected with 82.42 percent of the total valid votes.

We will continue to present lists of elected deputies to the Ninth National Assembly in tomorrow's 1800 [1100 GMT] newscast.

18th MIA Joint Search Ends

BK2107154192 Hanoi VNA in English 1507 GMT 21 Jul 92

[Text] Hanoi VNA July 21—Vietnamese and American specialists on June 19 to July 18, 1992 conducted the 18th joint search on and excavation of Americans reportedly missing in action (MIA) in the Vietnam war in the provinces of Quang Binh, Quang Tri, Binh Dinh and Phu Yen.

In the period under the review, a mixed Vietnamese-US team gathered information on American MIA in Hanoi and Ho Chi Minh City.

Another mixed team investigated into the news on live sighting of Americans in Lai Chau, Hanoi, Quang Nam-Da Nang, Binh Dinh, Vinh Long, Can Tho and Dong Nai.

The investigations and excavations have collected a number of information and remains which helped make clear the fate of Americans missing concerned. They also proved that all pieces of information on Americans still alive in Vietnam were unreal.

On this occasion, General Thomas Needham, commander of the POW/MIA/Special Task Force in the Pacific, made an inspection tour of the search and excavation sites. He highly appreciated the cooperation of the Vietnamese side.

The American specialists left Vietnam on July 18,1992.

Japan To Grant $6.5 Million in Aid

BK2107160192 Hanoi VNA in English 1500 GMT 21 Jul 92

[Text] Hanoi VNA July 21—Japan has decided to grant a gratuitous aid of 840 million yen to Vietnam. An exchange of note to this effect was signed here this morning by

Vietnamese Deputy Foreign Minister Vu Khoan and Japanese Ambassador to Vietnam H.E. Hiroyuki Yusita. The 840 million yen (about 6.5 million US dollars) aid will be used to renovate and upgrade the Cho Ray Hospital in Ho Chi Minh City. Speaking at the signing ceremony, Deputy Foreign Minister Vu Khoan and Japanese Ambassador Hiroyuki expressed their wish to see the relations between the two countries develop further.

French Ambassador: Relations 'Durable,' 'Settled'

BK2007163792 Hanoi VNA in English 1357 GMT 20 Jul 92

[Text] Hanoi VNA July 20—The French ambassador to Vietnam, M.R. Claude Blanchemaison, has said that Franco-Vietnamese cooperation is a "durable commitment." In an interview for the Sunday edition of the English-language VIETNAM NEWS when asked how he rates the present state of Franco-Vietnamese relations, the French diplomat said: "It is settled weather in Franco-Vietnamese relations now.

The public in my country shows keen interest in ongoing developments in Vietnam. It's true this interest has been renewed by the three French movies shot last year in different regions of Vietnam, but the rediscovery is based on deeper, more durable affinity and on a real convergence of interests.

People who come here, whether officials on mission, business travellers, or tourists, are generally impressed by the beauty of the landscape as well as by the charm of the population.

Traditional relations in culture and science are developing thanks to a real closeness in thinking. Economic cooperation is going on at its own pace, which may seem to be too slow to some, but which is regarded as steady by all.

The opening of an Alliance Francaise in Hanoi early this year which now has 700 students registered for each of the language courses, and the launching of a Franco-Vietnamese training centre for management teachers in September are proof of the vitality of a cooperation that deliberately stresses the formation of men and women Vietnam needs to ensure the development of its economy in its own way and with priorities set by itself.

The opening in this same year of four branch offices of French banks—three in Ho Chi Minh City and one in Hanoi—is expected to facilitate the establishment of new enterprises. Projects are also numerous in energy, in agriculture and the food industry, tourism as well as in transport and telecommunications, and achievements have already been made.

The cooperation between our two countries is of a comprehensive, highly diverse kind which covers all fields of activity, intellectual, cultural, scientific, technical, economic, legal, and financial. This is a durable commitment not only between the authorities of the two countries, but also between non-state collectives, enterprises, and all business people. This cooperation is not based on a certain sense of nostalgia but is deliberately turned towards the future and the economic development of Vietnam, in the spirit of mutual understanding and respect. In a nutshell, this cooperation is conceived in open-mindedness and a competitive spirit: We hope that Vietnamese partners will be many and diverse and that each will contribute in his own way to the great cause of development in Vietnam.

On the outcome of different Franco-Vietnamese agreements, Mr. Blanchemaison said: "The signing of an investment protection agreement for which negotiations had lasted for months, is designed to assure business people in search of direct or joint investments."

"For the rest, our aid, which does not measure solely by the financial package, is increasing markedly."

"In a word, we can say that all the efforts France has made over the past three years to help Vietnam regain its place in the international community and also in the game of financial institutions, are to be crowned with success. In this regard we welcome the rapid development of the relations between Vietnam and the European Community, with the hope that a frame accord on cooperation will be concluded at an early date."

About the role of Vietnam in the community of the French-speaking countries, the French ambassador said "for several years now Vietnam has taken part in the activity of a grouping which include more than 40 countries in the world. This specificity is certainly one of the characteristics of Vietnam in Asia today and also an additional trump and a privileged opening into the French-speaking world in Europe, Africa, and North America."

"This has also resulted in specific actions of cooperation for the benefit of Vietnam. The recent Chaillot Summit agreed on principle to set up a regional French-language training centre in Ho Chi Minh City and a Francophone Informatics Institute in Hanoi pending a possible meeting here, in Vietnam, of the heads of state and government of the countries participating in the institutions of Francophonie."

Nguyen Khanh Receives French Lawyers Delegation

BK2207065392 Hanoi VNA in English 0558 GMT 22 Jul 92

[Text] Hanoi VNA July 22—Vice-Chairman of the Council of Ministers Nguyen Khanh received here yesterday a visiting judicial delegation of France led by Mr. Bezard, president of the Tribunal of Commerce of the Supreme Court, and Mr. G. Plecheux, chief of Paris Lawyers' Bureau.

On behalf of the delegation, Mr. Bezard and Mr. Plecheux expressed the wish of the French Government and French legal workers to broaden and develop multiform cooperation between juridical bodies and lawyers

of the two countries. They said they are ready to help Vietnam complete its laws and juridical system in service of the renewal policy.

Vice-Chairman Nguyen Khanh briefed the guests of the legal situation in Vietnam, especially the difficulties on the road of building a state under the rule of law.

Also present at the reception were French Ambassador to Vietnam C. Blanchemaison and Vietnamese Minister of Justice Nguyen Dinh Loc.

Vo Van Kiet To Visit Malaysia 22 Jul

BK2207065492 Hong Kong AFP in English 0923 GMT 21 Jul 92

[Text] Hanoi, July 21 (AFP)—Vietnamese Prime Minister Vo Van Kiet was to leave Wednesday on a week-long private visit to Malaysia, diplomatic sources said here Tuesday.

Kiet and his wife were to be the guests of Malaysian Prime Minister Mahathir Mohamad, who made a high-profile visit here in February.

Neither the Vietnamese government nor the Malaysian Embassy in Hanoi have officially announced the trip.

Joint Oil, Gas Development Talks To Be Held Soon

BK2207064292 Hong Kong AFP in English 0926 GMT 21 Jul 92

[Text] Hanoi, July 21 (AFP)—Vietnam and Thailand have agreed to hold technical talks on joint oil and gas development in areas of the Gulf of Thailand where their territorial claims overlap, diplomatic sources said Tuesday.

The sources described the agreement as "the success story" of Vietnamese Foreign Minister Nguyen Manh Cam's visit to Bangkok on Sunday and Monday which failed to produce any progress on a fishing cooperation accord.

Two technical teams will meet in Bangkok late next month, one to discuss joint oil and gas development and the other to discuss maritime boundaries, the sources said.

Vietnamese Foreign Minister Vo Van Kiet is scheduled to visit Thailand on August 28-29.

Vietnam and Thailand made no progress toward the fishing cooperation accord sought by Bangkok, however, the sources said.

Hanoi cited objections from southern coastal provinces when it postponed the signing of the accord in January, but the current snag seems to be linked to the detention of 30 Vietnamese coastguards whose boats were sunk in March and April by the Thai navy.

Vietnam says the two boats were attacked in its territorial waters, but Thailand has charged the men with piracy.

Thai officials told Cam that their release would be facilitated if Vietnam freed some of the few hundred Thai fishermen it is holding on charges of poaching in Vietnamese waters.

Son Sann Statement on Troops in Cambodia Rejected

BK2107153592 Hanoi VNA in English 1505 GMT 21 Jul 92

[Text] Hanoi VNA July 21—VIETNAM NEWS AGENCY today rejected fabrications made by Khieu Samphan and Son Sann, leaders of Democratic Kampuchea and the Khmer People's National Liberation Front (KPNLF), about Vietnamese forces being still in Cambodia.

The fabrication, quoted by foreign souces on July 18, 1992, aimed at covering up their acts against the implementation of the Paris agreement on Cambodia. Vietnam has more than once confirmed that it had withdrawn all its troops from Cambodia by September 1989, and that since then it has not sent any troops back to Cambodia in any forms.

Vo Van Kiet Visits Truong Son War Cemetery

BK2107141392 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 15 Jul 92

[Text] Taking advantage of his tour of Quang Tri Province, on the afternoon of 14 July, Council of Ministers Chairman Vo Van Kiet visited the Truong Son war cemetery.

Accompanying the chairman were the comrade leaders of the Ministry of Finance; the Ministry of Culture, Information, and Sports; the Ministry of Commerce and Tourism; the State Planning Commission; the State Commission for Cooperation and Investment; and the Vietnam Institute of Science. Also joining him on the trip were Comrades Nguyen Duc Hoan and Nguyen Duong, respective secretary of the party committee and chairman of the people's committee of Quang Tri Province.

Chairman Vo Van Kiet laid a wreath bearing the words: To the cadres, combatants, and compatriots who had sacrificed their lives for the cause of the fatherland, with love and respect.

After lighting incense sticks at some of the graves and visiting the monument and the stone slab inscribed with the military exploits of various fallen combatants, Chairman Vo Van Kiet wrote the following in the visitor's book of the Truong Son war cemetery:

On the occasion of my working visit to the party committee and people's committee of Quang Tri Province, with profound emotion, I come here to pay my respects to the cadres, combatants, and compatriots from many localities throughout the country who had sacrificed their lives at Truong Son for the independence and freedom of the fatherland.

The government and people throughout the country will remember their great services forever. The government and people will continue to pay greater attention to the livelihood of their families.

Vo Van Kiet Writes to Vocational School Teachers

BK2007074592 Hanoi NHAN DAN in Vietnamese 18 Jun 92 pp 1,4

[Letter from Council of Ministers Chairman Vo Van Kiet to teachers of a vocational training school run by the Vietnam Red Cross Association]

[Text] On 16 June, Council of Ministers Chairman Vo Van Kiet sent a letter to the humanitarian vocational training service under the Vietnam Red Cross Association on the occasion of the opening of its humanitarian training schools in Hanoi and Ho Chi Minh City. The text of the letter is as follows:

Dear comrades: On the occasion of the opening of two vocational training schools in Hanoi and Ho Chi Minh City by the Vietnam Red Cross Association to provide job training to orphans, dependents of war invalids and fallen combatants, children of mixed blood, and war victims, on behalf of the party and state, I would like to convey my warm congratulations to all of you, comrades and friends.

Humanitarianism is an inevitable trend of development of the times and also a major, future objective of society. Humanitarianism is also part of the Vietnamese people's traditions as well as of the constant efforts that our party and government have made for half a century now. Great President Ho Chi Minh is a symbol of Vietnam's international humanitarianism because he has laid the groundwork for its development in our country in the new situation.

In providing job training to war victims, dependents of war invalids and fallen combatants, and children of mixed blood, you have acted in line with the Vietnam Red Cross Association's orientations. Your endeavors should be supported by all sectors and localities because they are proof of our society's sense of responsibility toward past and future generations, as well as toward our people and mankind as a whole. We must never forget the meritorious services of those fallen heroes and heroines who have sacrificed their lives for the sake of Vietnam's development and the Vietnamese people's happiness as well as of the mutual understanding and respect among different peoples in the world.

We are wholeheartedly caring for and providing vocational training to war victims in order to help them acquire job skills, cultural knowledge, new ethics, and qualifications for the work implementation required by modern society. This is currently one of the best manifestations of our love for peace and mankind. It is my hope that you will persist in your humanitarian goals, correctly follow orientations, achieve work efficiency, and prove yourselves worthy of being the staff of the first international humanitarian vocational school in Vietnam. I would like to wish you good health and success.

Nguyen Huu Tho Visits Hydroelectric Project

BK2107141892 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 15 Jul 92

[Text] Recently, Council of State Vice Chairman Nguyen Huu Tho visited the worksite of Thac Mo hydroelectric project in Phuoc Long District of Song Be Province.

The comrade vice chairman walked over to various key points of the worksite to chat with and encourage workers to overcome all difficulties so that the first group of generators at the project can be bound into the national power network by June 1993 and the second group by late 1994.

Upon completion, the Thac Mo hydrolectric powerplant will be able to generate 610 kilowatt-hours of electricity per year on average.

Comrade Nguyen Huu Tho was briefed by the comrades in charge of the worksite on the pace of construction, as well as on the difficulties concerning capital and the livelihood of workers. He took note of the suggestions made by the brother and sister workers and urged them to demonstrate their dynamism and introduce concrete measures to ensure the pace of construction.

The comrade vice chairman also pointed out the need for all sectors and echelons and the state to invest even more in the project.

Le Quang Dao Attends Conference on Employment

BK2007091392 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 14 Jul 92

[Text] On 14 July the National Assembly's Youth, Teenagers, and Children and the Ho Chi Minh Communist Youth Union [HCMCYU] Central Committee's Secretariat held a conference to review models for training and introducing jobs to the youth, and to discuss measures to strengthen the youth movement to build the national economy. Comrade Le Quang Dao, chairman of the National Assembly and vice chairman of the State Council, attended the conference.

Vietnamese youth are a great social force accounting for 30 percent of the population or 55 percent of the nation's work force. Since early 1980, employment issues for the nation in general and the youth in particular have become a most pressing social issue requiring prompt attention from the authorities. As a result, the issue of youth employment was recently debated animatedly by various sessions of the Eighth National Assembly.

At this conference, once again, delegates from provinces and cities suggested many measures to provide sufficient jobs for youth in various sectors so as to meet requirements of the current socioeconomic situation. These delegates also made proposals to the National Assembly and the state to quickly promulgate the national program on youth activities and create favorable conditions for the HCMCYU to satisfactorily carry out its tasks.